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Southeast Asia Report



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16 January 1984

SOUTHEAST ASIA REPORT

CONTENTS

AUSTRALIA

Briefs

Hayden Attends Meeting on Cyprus	1
Nigerian Coup Analyzed	1

INDONESIA

Food Shortages Reported in Strife-Torn E. Timor (Gilles Bertin; AFP, 1 Jan 84).....	2
Finance Minister on Fourth Five-Year Plan Financing (MERDEKA, 1 Nov 83).....	4
Five Percent Economic Growth Rate in Pelita IV Considered (SINAR HARAPAN, 1 Nov 83).....	6
Golkar Faction in Parliament To Be Reorganized (HARIAN UMUM AB, 1 Nov 83).....	9
Government Not To Make Decisions Not Supported by Ulemas (MERDEKA, 1 Nov 83).....	10

Briefs

Batam Island Development	11
Timor Rebels	11
Decreasing Unhusked Paddy Purchase	11
Benefits of Integration	12
Oil Amendment Agreement	12
Mokhtar on PRC Ties	12
U.S. Decision on UNESCO	12

KAMPUCHEA

Columnist Analyzes Kampuchean Food Shortage
(Jacques Bekaert; BANGKOK POST, 8 Dec 83)..... 13

LAOS

Columnist Views Political, Economic Developments
(Jacques Bekaert; BANGKOK POST, 10 Dec 83)..... 17

Biographic Information..... 19

PHILIPPINES

Liquidity Problems Surface for Firms With Middle East
Contracts
(BULLETIN TODAY, 15 Dec 83)..... 25

Fishing Boat Believes To Be Japanese Spy Craft
(Owen Masaganda; BULLETIN TODAY, 19 Dec 83)..... 26

Foreign Control of Firms Ruled Out by SEC
(BULLETIN TODAY, 17 Dec 83)..... 27

Government Moves To Fight Inflation
(BULLETIN TODAY, 17 Dec 83)..... 28

Asian Development Bank Accelerates \$50 Million Disbursement
(BULLETIN TODAY, 17 Dec 83)..... 30

Light Grade Oil Found Near Palawan
(BULLETIN TODAY, 17 Dec 83)..... 31

Reduced Dependence on Imported Oil Reported
(PHILIPPINES DAILY EXPRESS, 17 Dec 83)..... 33

Government Steel Mill Construction Shelved
(Rosario A. Liquicia; PHILIPPINES DAILY EXPRESS,
15 Dec 83)..... 35

'Misleading Reports' on Base Labor Review Cited
(Cesar De La Torre; BULLETIN TODAY, 15 Dec 83)..... 37

Paper Imports Threatened With Cuts
(BULLETIN TODAY, 16 Dec 83)..... 38

Pelaez' Coconut Industry Position Said 'Inconsistent'
(BULLETIN TODAY, 17 Dec 83)..... 39

Two Car Firms Halt Operations (BULLETIN TODAY, 17 Dec 83).....	41
Kalinga Rally Assails Unsolved Killings (I.S. Chammag; BULLETIN TODAY, 18 Dec 83).....	42
Cartoon Parodies Police Graft (PHILIPPINES DAILY EXPRESS, 17 Dec 83).....	43
Rebels' Strength in South Assessed (Jose De Vera; BULLETIN TODAY, 15 Dec 83).....	44
NPA Activities, Status on Mindanao Profiled (Graham Lovell; THE MUSLIM, 9 Dec 83).....	45
Liberal Party Asks KBL To Delete Marcos' Decree Power (C. Valmoria; BULLETIN TODAY, 19 Dec 83).....	48
Misuari Discusses Moro Issues (Nusrat Javeed; THE MUSLIM, 13 Dec 83).....	51
Christian Democratic Party Launched 11 Dec (BULLETIN TODAY, 15 Dec 83).....	53
Reportage on Voter Registration, Polling Problems (BULLETIN TODAY, 17 Dec 83; PHILIPPINES DAILY EXPRESS, 17 Dec 82).....	54
Daily on Registration Problems, Editorial Private Sector Aid Welcomed, Editorial Teachers Fear Poll Duties, by Tony Pe. Rimando	
Rejection of Salonga's Election Boycott Proposal Reported (BULLETIN TODAY, 18, 19 Dec 83).....	57
Liberal Party Rejection Columnist: Salonga Out of Touch, by Jesus Bigornia	
Assemblyman's Exclusion From XBL Straw Vote Protested (Jun Velasco; BULLETIN TODAY, 19 Dec 83).....	59
Article Views Decline in Regional Communist Insurgencies (Myrna Castro de la Torre; PHILIPPINES DAILY EXPRESS, 18 Dec 83).....	60
Further Details on 15 Dec Agrava Board Hearing (Rey G. Panaligan; BULLETIN TODAY, 16 Dec 83).....	62
Agrava Cites Loopholes in AFP Version of Slaying (PHILIPPINES DAILY EXPRESS, 18 Dec 83).....	64

Agrava Board Activities, AFP Witness Testimony (Various sources, various dates).....	65
February Wrap-up	
Further Martinez Testimony	
Paper Views Opposition, KBL Prospects in Election, Editorial	
BULLETIN TODAY Writer Agrees on 'Collusion, Premeditation' in Aquino Slaying (Ramon Tulfo; BULLETIN TODAY, 16 Dec 83).....	69
Urban Land Reform Passes (BULLETIN TODAY, 16 Dec 83).....	70
AFP Land Lost to Squatters 'Jeopardizes' Operations (Jose De Vera; BULLETIN TODAY, 16 Dec 83).....	71
Foreign Tourist Entry Liberalized (Rod Villa; BULLETIN TODAY, 15 Dec 83).....	72
Briefs	
Coconut Product Exports Up	73
Samar National Assembly Bets	73
Cavite NPs in Human Rights Drive	73
KKK Policy Review Sought	74
Commission Approves Land Plans	74
Exporters Reminded on Proceeds	75
Rice Exports May Resume	75
Plebiscite Information Drive	75
Sugar Growers Receive Differentials	75
Electronics Firm Suspends Operations	76
Two Import Schemes Described	76
SOLOMON ISLANDS	
Budget Expenditures for 1984 Outlined (SOLOMON STAR, Nov 83).....	77
THAILAND	
Role of Foreign Banks Discussed by BOT Official (Chavalit Thanachanan; THE NATION REVIEW, 10 Dec 83).....	79
Fall Predicted for Mine Export Earnings (BANGKOK POST, 8 Dec 83).....	83
Tantalum Industry Project Financing (THE NATION REVIEW, 10 Dec 83).....	84

Industry Minister Discusses Oil Refinery Operations (Ob Vasuratna Interview; BUSINESS IN THAILAND, Nov 83).....	85
Union Oil Must Pay More Royalties (BANGKOK POST, 12 Dec 83).....	88
Problems, Solutions in Rice Production, Export Growth (Dilip Mukerjee; BUSINESS TIMES, 3 Dec 83).....	89
Secessionist Movement in South Discussed, Wages of Insurgents Noted (Jose Katigbak; SARAWAK TRIBUNE, 28 Nov 83).....	91

VIETNAM

MILITARY AFFAIRS AND PUBLIC SECURITY

Checkpoint Personnel Praised for Catching Smugglers (Dinh Kim Anh; TIEN PHONG, No 47, 22-28 Nov 83).....	93
Adverse Influence of Emigre Vietnamese Music Decried (Thanh Hai, Vu Hanh Hien; VAN HOA NGHE THUAT, No 9, Sep 83).....	96

POPULATION, CUSTOMS AND CULTURE

Hanoi Ward Praised for Eliminating Superstition, Decadent Culture (Hai Ha; VAN HOA NGHE THUAT, No 10, Oct 83).....	100
--	-----

BIOGRAPHIC

Information on Vietnamese Personalities.....	103
--	-----

AUSTRALIA

BRIEFS

HAYDEN ATTENDS MEETING ON CYPRUS--The minister of foreign affairs, Mr Hayden, leaves for New York today for a meeting of the special commonwealth action group on Cyprus. The group was established during the recent meeting of the commonwealth heads of government in New Delhi. Mr Hayden will be joined by the foreign ministers of India, Guyana, Nigeria, and Zambia and the commonwealth secretary general, Mr Ramphal. The action group will work with the United Nations to bring the Turkish and Greek communities on Cyprus to negotiations following the declaration of independence by the Turkish community last month. Mr Hayden said Australia hoped for a negotiated settlement as soon as possible to ensure the island's sovereignty, unity, and territorial integrity. [Text] [BK171445 Melbourne Overseas Service in English 0430 GMT 17 Dec 83]

NIGERIAN COUP ANALYZED--The acting minister for foreign affairs, Mr Willis, has said a full assessment of the situation in Nigeria is not yet available following the military coup there. However, he said the Australian Government regretted as a matter of principle the overthrow of an elected government and hoped for an early return to a democratically elected government in Nigeria. Mr Willis said the Australian high commissioner in Lagos had reported that all staff was safe and well and that there had been no reports of harm to Australian citizens. [Text] [BK020634 Melbourne Overseas Service in English 0430 GMT 2 Jan 84]

CSO: 4200/334

FOOD SHORTAGES REPORTED IN STRIFE-TORN E. TIMOR

BK010702 Hong Kong AFP in English 0619 GMT 1 Jan 84

[Report by Gilles Bertin]

[Text] Jakarta, 1 Jan (AFP)--Severe food shortages have stricken parts of East Timor following recent Indonesian military operations against pro-independence guerrillas in the former Portuguese colony, diplomatic and Roman Catholic Church sources here said.

The Indonesian Army began a counter-insurgency drive in August against the Revolutionary Front for the Liberation of East Timor (Fretilin), said to number a few hundred guerrillas with fairly active local support. An estimated 10,000-12,000 Indonesian troops, backed by helicopters, AMX tanks and counter-insurgency Bronco OV10-Type aircraft, have been involved in operations in the territory, which Jakarta annexed by force in December 1975.

Church sources here said the military move had completely disrupted already precarious food supplies in the territory of 550,000 people, the majority of whom are Catholic. Crops have been destroyed and farmers have been unable to get to their fields or to forage food in the forests, they said. In the central region of Viqueque and the eastern region of Lospalos, food shortages have been aggravated by a flood of refugees, with some 3,000 currently living around the city of Viqueque. The serious scarcity of food in various areas has been confirmed by diplomatic and other sources in the Indonesian capital.

In a confidential letter dated late last month, the papal administrator in the East Timor capital of Dili, Monsignor Carlos Filipe Ximines Belo, expressed concern over the problem of hunger and food shortages. The 35-year-old Msgr Belo, generally considered a moderate, took over as papal administrator in May from the popular Monsignor Da Costa Lpes, known for his opposition to the "Indonesianization" of East Timor. The move was interpreted as a goodwill gesture towards Jakarta by the Vatican. But reliable sources here said the new papal representative later received a written warning from the local religious affairs office following a sermon in October in which he protested against the "arrests and violence in East Timor."

However, on November 17 the conference of Indonesian bishops, often considered close to the local authorities, sent a six-page letter to Timorese clergy assuring them of their support and calling for the respect of human rights in East Timor. "We have met in our hearts with all, but especially with those who

have lost parents, relatives and friends, with those who have lost their possessions, with those who have lost any source of income and even with those who have lost their lives," the bishops said.

It was the first time that the conference of Indonesian bishops had expressed in an open letter their concern over the situation on East Timor as they urged officials to work in a "spirit of honesty" to resolve the situation.

Meanwhile, arrests continue: 600 people brought in for questioning recently in Dili, 125 in Baucau and 34 in Viqueque, well-informed sources said. Eight schoolchildren, ages 14-15, were arrested in Viqueque and held "for several days in a room so narrow they could not asleep," said one Catholic source. Dozens of people, including three children, were hauled away by unknown abductors in civilian clothes, the sources said. They expressed fear that those abducted could meet the same fate as the 3,000-4,000 presumed criminals who have been executed by the "mystery killers" stalking the entire archipelago since April.

Some 130 auxiliary Timorese troops attached to the Indonesian Army were disarmed and arrested, the sources said. Ninety were still in custody and the fate of the others was not known. In August, 86 militiamen deserted with their weapons to join Fretilin.

The toll of clashes between the Indonesian Army and Fretilin is extremely difficult to establish since the military operations remain "top secret" in Jakarta, where rumors circulate of major battles.

Army Commander-in-Chief General Benny Murdani, who is Catholic, made a Christmas appeal to Fretilin guerrillas "in the mountains, in the jungles, in the grottos and the cities" to give themselves up. Sources here said the military operations could end next month.

East Timor is totally cut off from the rest of the world and special authorization is required to visit or even telephone there. The U.S. military attache in Jakarta traveled to the territory last month at the personal invitation of General Murdani, diplomatic sources said.

The International Committee of the Red Cross (ICRC) has been barred for "security reasons" from the interior of East Timor. It can send representatives only to Dili and the island of Atauro off the provincial capital where some 2,100 prisoners, presumed Fretilin sympathizers, are confined. But the Red Cross continues its program to reunite families and about a dozen Timorese were able to emigrate legally to Portugal recently.

The diplomatic impasse on East Timor remains as the United Nations, which does not recognize Indonesia's annexation of the territory, pursues its efforts to resolve the more than eight-year-old problem.

CSO: 4200/338

INDONESIA

FINANCE MINISTER ON FOURTH FIVE-YEAR PLAN FINANCING

Jakarta MERDEKA in Indonesian 1 Nov 83 pp 1, 11

[Article: "Finance Minister on 37th Finance Day: Tax Laws Must be Changed"]

[Excerpts] Radius Prawiro, minister of finance, stated that the tax laws, which date back to the colonial period, must be replaced by regulations more in line with national development needs.

The minister made this statement Monday [30 October] in his opening remarks at the commemoration of the 37th anniversary of Finance Day in front of the finance building in Jakarta. He said that these changes also included a simplification of the present tax system.

He said that this simplification covered types of tax, tax rates and ways of paying taxes. Tax reform covered procedural, administrative, disciplinary and attitudinal reforms to the tax apparatus.

He hoped that the tax burden would be more equitable and realistic so that it would give some the impetus to be aware of the duty to pay their tax burden and it would prevent others from using opportunities to avoid their tax obligations.

Needs

In another part of his speech Minister Radius said that we must increase government revenues as much as possible and at the same time limit routine expenditures to those most needed for development and for carrying out the government's tasks.

In fact, he said, the government is continually trying to increase state revenues, especially tax revenues.

"We are all aware that we can no longer fully depend on revenues from oil and natural gas to fund Repelita IV [Fourth Five-Year Plan]," said Radius.

Therefore, he added, it is necessary to the success of Repelita IV to increase nonoil revenues, especially in the areas of direct and indirect taxes.

Credit Policies

In connection with the background and goals of recent government decisions to increase savings and time-deposit interest rates and to institute changes in credit policies, the minister explained that this was intended to increase and strengthen the Indonesian economy and to mobilize our own strengths for continuing development.

In his opinion, if the banks succeed in collecting large-scale deposits from the public they can be directed towards an increase in the availability of credit in the villages and can provide an impetus for the creation of employment opportunities.

Increasing development requires ever increasing expenditures and so it is the duty of all financial institutions to work harder and more effectively and efficiently to raise funds from the public and channel them into areas of high priority, said Radius Prawiro.

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CSO: 4213/76

INDONESIA

FIVE PERCENT ECONOMIC GROWTH RATE IN PELITA IV CONSIDERED

Jakarta SINAR HARAPAN in Indonesian 1 Nov 83 pp 1, 12

[Article: "Ekuin Minister: 48 Projects Rescheduled. Five Percent Economic Growth Rate Realistic for Next Five Years"]

[Excerpts]

Ali Wardhana

The most important thing in the coming Pelita IV [Fourth Five-Year Plan] is that a five percent yearly economic growth rate in the next five years is realistic. This growth figure is not a target but a realistic estimate based on pragmatic and conservative assumptions about the current economic situation in the world and in Indonesia.

Pelita IV plans also point to continued emphasis on industrialization to create employment opportunities and to increase the volume and value of raw materials and unprocessed commodity exports.

Prof Dr Ali Wardhana, coordinating minister for economics, finance and industry [Ekuin] and development supervision, said this Monday evening [31 October] at the 14th world congress of the International Association of Financial Executives Institute held in Jakarta.

The main goal of national development over the last 16 years will not change. If we examine the developmental patterns and their basic philosophy, we will see consistency and continuity.

At the beginning of his working paper entitled "Indonesia, a Case of Economic Development" the minister said that even though Indonesia is facing economic difficulties, the government is trying to overcome them in a pragmatic and realistic way. "We will achieve balanced development and will fulfill the basic needs of the Indonesian people," said Minister Ali Wardhana.

Indonesia not only faces internal challenges but also faces recent world turbulence.

The minister of Ekuin also briefly analyzed the events that have taken place since Pelita I in 1969.

Political Motivation

He agrees with Henry Kissinger, ex secretary of state of the United States, who said in his memoirs that the key to economic policy is political, not technical. Preciely because of that world economic conditions are becoming less stable in that political motivations are sometimes hard to anticipate.

The minister of Ekuin said that Indonesia's financial policy has been the same whether the world is turbulent or not. Indonesia has conceived certain principles which are the guidelines for economic planning, and these principles have been applied consistently for 16 years.

At this congress the minister of Ekuin also explained the policies which the Indonesian government put into effect recently and which they consider essential to the implementation of Pelita IV: raising the price of fuel, devaluing the rupiah, revising the timetable for government projects, and the monetary policy of 1 July, 1983.

The minister stated that Indonesia had taken steps to avoid the kind of situation faced by some other countries which have been unable to repay their foreign debts. "For some years now we have tried to restrict the level of our foreign debt service ratio to 20 percent of our export income. And yet, because of the weakness in our foreign markets the 20 percent figure of the 1982/83 fiscal year reached 22 percent in 1983/84. We estimate that this figure will rise to 24 percent. "We will keep on monitoring it and we will continue to monitor the level of private-sector foreign debts," he said.

Timetable Revised

The minister said that the government had decided to revise the timetable for 48 projects involving the expenditure of large amounts of foreign exchange for importing capital goods. He said that revising the timetable for these projects would save US \$3 billion of foreign exchange in the current fiscal year.

"This will also mean reducing the balance of payments deficit to a manageable level," he said. He said that revising the timetable was not a sign of retreat for Indonesia.

He reminded us that the world recession had in general had a bad effect on the world in 1982 and that Indonesia had begun to feel it at the end of that year. In addition to the sharp decline in the value and volume of oil exports the world economic recession had decreased the amount of capital and foreign exchange in the Indonesian economy.

The minister emphasized that it was necessary to simplify government

regulations in order to provide an impetus to the private sector in Indonesian development.

"This summer we launched efforts to fix up the bureaucracy and to reduce complicated procedures," said Ali Wardhana.

Other steps taken by the government have been to simplify the Indonesian tax structure to make it more efficient in collecting taxes. "We hope that the simplification of the tax system, providing tax certainty and justice, will have healthy effects on the activities of the private sector," he added.

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CSO: 4213/76

INDONESIA

GOLKAR FACTION IN PARLIAMENT TO BE REORGANIZED

Jakarta HARIAN UMUM AB in Indonesian 1 Nov 83 pp 1, 2

[Article: "FKP Chairman, R. Sukardi: FKP will be Reorganized"]

[Excerpts] Because of the large number of FKP [Development Work Faction] members who are in the new DPP [Party Leadership Council] of Golkar the FKP in the DPR [Parliament] will be reorganized. R. Sukardi, chairman of the FKP said this to reporters at the Parliament building on Monday [31 October].

In response to reporters' questions Sukardi was still reluctant to say exactly who will be withdrawn from the FKP leadership. He only said that Sarwono, who is now the FKP secretary, would be withdrawn from the FKP leadership in order to handle the DPP.

Sukardi stated that because of the large number of FKP members who are in the Golkar DPP leadership, there would certainly be a reorganization in the faction. But, he added, this all depends on the decisions to come out of a future DPP meeting.

Sukardi said that Sarwono's position as secretary general takes a lot of his time, and so he cannot also be secretary of the FKP. Sukardi said that the secretary general of the DPP is given full authority for political life. He is the prime mover in Golkar's politics.

This is different from other executives. Sukardi said that the other DPP members have a lot of time. Because DPP executives are policy-makers their work is not of a bureaucratic nature.

One reporter asked whether the FKP leaders who are also DPP leaders would remain as leaders of the faction. Sukardi answered: "This will be decided case by case," adding that Sarwono would be withdrawn from the leadership of the faction. "It will certainly be Sarwono," Sukardi stated.

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CSO: 4213/76

INDONESIA

GOVERNMENT NOT TO MAKE DECISIONS NOT SUPPORTED BY ULEMAS

Jakarta MERDEKA in Indonesian 1 Nov 83 pp 1, 11

[Article: "Government not to Make Decisions without Moslem Scholars"]

[Excerpts] Minister of religion H. Moenawir Sjadzali said that the government would not take any steps or make any policy which was not approved by Islamic law or supported by Moslem scholars.

Because of that the Council of Moslem Scholars has played a decisive role in the new order, especially in making various decisions about government policies.

Minister Moenawir revealed this on Sunday evening [30 October] in Anjung Mon Mata Banda Aceh at a meeting held with the All-Aceh Moslem Scholars Council, social leaders, Muspida [Regional Leadership Council], young people, students and educators, in a series of meetings held during his two-day visit to Aceh.

"The government cannot possibly minimize or castrate Islam or box in its faith," said the minister, adding that the decisions of the 1983 MPR [People's Consultative Congress] were infused with religion, especially Islam.

According to the MPR's GBHN [main outline of national direction] religion is one of the fundamentals of the Indonesian people and nation, which is based on Pancasila and the 1945 constitution, and it is a reflection of national unanimity.

Because of that, the Council of Moslem Scholars, in attempting to increase the public's participation in the development so much desired by all Indonesians, in partnership with the government, should give its "guidance" to people and not just want to "please the boss".

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CSO: 4213/76

BRIEFS

BATAM ISLAND DEVELOPMENT--President Suharto has said that the industrial and trade development in Batam Island is not unrelated to the development of Singapore as one of the outstanding trade and finance centers in Asia. Stating that Indonesia does not want to compete with Singapore, he said Indonesia hopes for the development of Singapore as one of the prominent finance centers in the world. This is not only because development is in accordance with Singapore's dynamism but also because development is beneficial for bilateral economic relations in general and for Batam Island in particular. Having inaugurated development projects in Batam Island, President Suharto is scheduled to make a short visit to Singapore today for talks on various issues with Prime Minister Lee Kuan Yew. [Excerpts] [BK271409 Jakarta Domestic Service in Indonesian 1200 GMT 27 Dec 83]

TIMOR REBELS--Armed Forces Commander Benni Murdani has called on those who still daydream of setting up East Timor state to surrender and join their Indonesian brethren in working together to achieve a just and prosperous society based on Pancasila. Armed Forces Commander Murdani has guaranteed fair and humanitarian treatment to those who renounce their wrong deeds. The armed forces commander made the call during a Christmas celebration with troops assigned in isolated areas in East Timor. On that occasion, General Murdani extended his Christmas greetings to all Indonesian troops wherever they are being assigned to and to all Indonesian people who are Protestants and Roman Catholics. [Text] [BK271305 Jakarta Domestic Service in Indonesian 1200 GMT 27 Dec 83]

DECREASING UNHUSKED PADDY PURCHASE--The head of the distribution and purchasing section of the East Timor Logistics Depot Office has disclosed in Dili that up until December 1983, the office had purchased only 580 tons of unhusked paddy out of the 1,000-metric ton target for 1983--a decrease of 4 metric tons from that of the corresponding period in 1982. The nonachievement of the target is attributed to the lack of competent personnel, traditional land cultivation, and a long drought. [Summary] [Jakarta Domestic Service in Indonesian 0700 GMT 1 Jan 84 BK]

BENEFITS OF INTEGRATION--The chairman of East Timor regional legislative assembly (Fauzi Palengko) has said that since East Timor's integration with Indonesia, development in the province has made great progress. Since integration with Indonesia in 1976, the people of East Timor have experienced progress in various fields, such as education, health, agriculture, animal husbandry, and other development facilities. According to (Fauzi Palengko), this proves to the world that the decision of the East Timor people to integrate with their Indonesian brethren from Sabang to Jayapura was indeed a correct decision. The chairman of East Timor regional legislative assembly said this at a radio address in Dili greeting the Christmas and the New Year. [Text] [BK011532 Jakarta Domestic Service in Indonesian 0700 GMT 1 Jan 84]

OIL AMENDMENT AGREEMENT--Pertamina state-owned oil company and P.T. Caltex Pacific Indonesia signed an amendment agreement on production sharing contract after the two sides held negotiations for about 4 months. Signing the amendment agreement were Yudo Sumbono, Pertamina's president director; Harun al Rashid, chairman of P.T. Caltex's board of directors; and Minister of Mines and Energy Subroto. According to Minister Usbroto, Indonesia and the contractor agree to split ratio of 88 to 12 for oil, and 70 to 30 for natural gas. The contractor is also obliged to pay company tax on imports, dividends, bonuses to the government. [Text] [BK280245 Jakarta International Service in English 0800 GMT 25 Dec 83 BK]

MOKHTAR ON PRC TIES--Indonesia says Third World countries should be allowed to state their views on the nuclear arms issue. Speaking to reporters, Foreign Minister Dr Mokhtar Kusumaatmaja said he considered the nuclear arms race as one of the major threats facing the world in the coming year. He warned that the world's fate should not depend only on the two superpowers. Other nations should have a say in the matter. Commenting on Indonesia's foreign policy, Dr Mokhtar said relations had improved with Japan, the country's main economic partner. Tokyo had convinced Jakarta that its growing defense program did not have expansionist aims. But Dr Mokhtar noted little progress had been made this year towards resuming diplomatic relations with China. [Excerpts] [BK301455 Singapore Domestic Service in English 1100 GMT 30 Dec 83]

U.S. DECISION ON UNESCO--Jakarta, 30 Dec (AFP)--Indonesia regrets the U.S. decision to withdraw from the United Nations Educational Scientific and Cultural Organization (UNESCO), Foreign Minister Mokhtar Kusumaatmaja said today. The U.S. State Department announced yesterday that it planned to pull out of the UN agency towards the end of next year in line with UNESCO rules that a country must give one-year notice of its withdrawal plan. Mr Mokhtar told the press that Indonesia understood the reasons for the U.S. move but nevertheless regretted it, all the more so since there was now a trend towards reasonableness and moderation within UNESCO. [Text] [BK301555 Hong Kong AFP in English 0823 GMT 30 Dec 83]

CSO: 4200/338

COLUMNIST ANALYZES KAMPUCHEAN FOOD SHORTAGE

Bangkok BANGKOK POST in English 8 Dec 83 p 13

[Article by Jacques Bekaert]

[Text] There is growing consensus that the recent dry season rice harvest in Kampuchea has been far below target and that the coming rainy season harvest could be even worse. The deficit could reach 300,000 tons of rice. Maybe more.

A recent official American estimate says "the major concern is not the food situation now but what it will be in six months."

The effect of a new rice shortage could be extremely alarming for the civilian population of Kampuchea. Most of the people are surviving on a 12kg of rice a month ration. Food specialists consider this figure to be less than sufficient.

A recent report "on the nutrition situation in Kampuchea" written by Dr Wil H.P. Schreurs, dated March 1983, confirms an earlier document provided by a team of the Food and Agriculture Organisation (FAO) late last year.

According to the Dutch professor, "among the group surveyed, the prevalence of moderate/severe malnutrition is increasing with age: 25 percent for children up to one year; 61 percent for children of one to six years and 71 percent for children of seven to 12 years."

A special circular issued by the KPRP (Kampuchea's pro-Vietnamese communist party) Committee Secretariat (Circular No 278) and dated September 7, 1983 tries to warn people of coming difficulties and raise alarm on the future food situation.

"This year's rainy season rice production will end within only more than a month. Judging from the work done up to August 30, 1983, this production drive is slow. We had just completed almost 800,000 hectares of the transplanted acreage: that is, only about 50 percent of the plan.

"The acreage of the floating and late rice transplanted since the beginning of the season did not meet the plan due to prolonged drought. This year's rainfall was late for a month, and when the rain started to fall we did not mobilise forces to begin plowing, sowing and transplanting on time."

Today the situation is not dramatic yet. It is not good, because of some of the huge problems facing Kampuchea and the massive destructions inflicted on the infrastructure of the country during the past 13 years. As a nutrition specialist told us, "12kg of rice can hardly be considered a 'normal' ration, even if it is complemented with substantial diet."

But, says the American report, dated November 10, 1983, "We are unaware of any geographical area in which there is currently a food emergency in Kampuchea."

Recent arrivals at the border do indeed rarely give food shortage as a prime reason for coming over to the nationalist camps.

The FAO observer in Phnom Penh estimates that the crop loss because of the drought could be as much as 20 percent. It is too early to give a figure for the loss suffered because of flooding. According to recent visitors to Kampuchea, flooding is extensive in the western provinces with Battambang being worst hit.

Situation

A November assessment from the NOAA (the US weather bureau) so describe the situation in the region: "As the 1983 southwest monsoon finally recedes from Southeast Asia, losses from near record flooding continue to mount. For Kampuchea, early reports indicate a 300,000 loss to the rice crops. Thus damage to the agriculture may exceed US\$90 million in Kampuchea, which normally raises 2.4 million hectares of rice each year. Areas hit the worst include the province of Battambang, Siem Reap, Oddar Meanchey and Pursat which raise 30 percent of the nation's rice. Food shortages are expected."

The KPRP circular resembles sometimes a crash course in rice planting and harvesting. It has a tone of emergency.

"In our country, rice, subsidiary crops, industrial crops and other agricultural products for export are mainly planted in the rainy season. This is why the agricultural production plan for the whole year focuses on the rainy season production. If the rainy season does not succeed according to the plan or if it is excessively below the plan, it will cause many difficulties to the people's living conditions and next year's production. Moreover the restoration of the industrial sector, the trade circulation, and the import-export sector will be disrupted..."

The circular urge every sector of the economy, such as trade, communications, transport, finance and banks (?) to provide all possible aid to the peasants.

"Do not use the irresponsibility of any sector as a cause for any delay in the planting season or for the damage of crops. Send the armed forces to crack down on the enemy elements causing disturbances in any area in order to protect the people and enable them to launch production drive."

The main flooding--and thus problem--is in the region where anti-Vietnamese resistance forces are the most active, as implicitly recognised by the circular.

According to a broadcast by Phnom Penh Radio on October 14, "over 88 percent of the planned rainy season acreage has been planted by September 30, modest increase over last year." If the rains of October were at first more than welcome the resulting flooding could be a catastrophe; the water resistant rice could start rotting if the water stays too long.

The American report adds, "It seems safe to say the crop will be the worse than last year, but how much worse is not clear."

Recent visitors in Phnom Penh were told at the Ministry of Agriculture (by all account the best ministry in the people's Republic of Kampuchea, although severely understaffed) that the deficit could reach 360,000 tons of rice.

One question remains: Would emergency assistance given by Western nations be of a political nature and serve the present pro-Vietnamese government in Kampuchea?

Everybody seems to agree that in a few months, six maybe, Kampuchea will face another emergency. If aid does not come, it will have many consequences. Political in the sense that probably more people will take refuge at the border (and this would happen during the dry season, a time when military activities are usually of some intensity).

Confidence

It will also undermine people's confidence in the ability and capacity of the present authorities. That confidence, according to many accounts from newly arrived men and women from the Phnom Penh area, is already pretty low.

So yes, emergency assistance will have political implications. Implications that cannot be avoided. The fairness of distribution is still somewhat of a question. It is the case of almost any kind of emergency assistance in a land torn by conflict.

But the plight of the innocent Kampucheans has to be considered too. They will be the first ones to suffer. Especially the so-called "vulnerable groups" (they are indeed), children, lactating women, old people, hospitalised patients, orphans, widows, disabled people. They represent approximately, according to Dr Schreur's report, 35 percent of the total population.

Anyone who has been recently in Kampuchea can testify of the extent of the damage done to the population by the extreme hardship imposed on the people by the Khmer Rouge communist regime and the poor conditions still prevailing today in the country.

The most common problems result from severe malnutrition: subcutaneous fat deficiency, muscle wasting, marasmus, anaemia, apathy, sore eyes, hair dispigmentation, cutaneous lesions, angular stomatitis dermatitis, ulcers,

nutritional oedema and infections of respiratory and gastro-intestinal tract (Dr Schreurs).

Of course it raises serious question about the adequacy of the aid provided to Kampuchea by friendly nations of the Eastern bloc. Vietnam is in no position to provide much, but what about the Soviet Union and other West European countries?

Kampuchean doctors told us a few months ago in Phnom Penh how desperate the medical situation was, almost five years after the defeat of the Khmer Rouge regime.

Dr Schreurs' report is pessimistic: "Health resources and medical services remain very poor. The supply of medicines is far below acceptable standards even for poor developing countries, and the situation is nearing a deep crisis."

For the people of Kampuchea, the tragedy is far from over. And more than ever the urgent necessity of a political solution to the drama is obvious to anyone with the slightest compassion for the people of Kampuchea.

CSO: 4200/313

COLUMNIST VIEWS POLITICAL, ECONOMIC DEVELOPMENTS

Bangkok BANGKOK POST in English 10 Dec 83 p 4

[Article by Jacques Bekaert]

[Text]

AMERICAN historian Arthur Schlesinger Jr once called Laos "a state by diplomatic courtesy." Life indeed has never been easy for the former Kingdom of Lane Xang (Million Elephants). The efforts of so many rulers to build a strong national identity have for the most part failed. The problem is still there today. Laos is made of almost 70 different ethnic groups with none representing a big majority.

Murray Hiebert, writing for the *American Indochina Issues* (August 1982), quoted the late Bernard Fall: "Laos is neither a geographical nor an ethnic entity, but merely a political convenience."

Surrounded by more powerful neighbours (China, Thailand, Vietnam), contemporary Lao leaders have always looked for external support. It has been France, Thailand or Vietnam. Sometimes the three at the same time.

Vietnam's relatively strong presence in Laos today fits an old historical pattern. Vietnam has in a sense benefited from the French colonial presence. Pro-independence forces thought they could get better aid from Hanoi in their struggle.

Eight years after becoming a People's Democratic Republic, Laos still faces enormous problems. Its full independence is still a question mark, its future still unclear.

It is also the only one of the three Indochinese countries that manages to keep diplomatic relations with East and West. This is in fact beneficial because it gives a very poor nation access to a wide range of foreign assistance.

From the statistical viewpoint, time in Laos appears to be moving very slowly. In 1960 the average annual growth rate was 1.9 per cent; 20 years later it is 1.8 per cent. The crude birth rate per thousand was and still is 42, the life expectancy has gone from 44 years to 43. Only the death rate has made marginal progress. Serious progress though has been made in the literacy rate for people over 15 years. It went from 28 to 41 per cent while secondary school pupils as percentage of age group has gone from 1 to 16 per cent. (World Development Report 1982, quoted by Quarterly Economic Review on Indochina, published by the Economist Intelligence Unit).

The major accomplishment of the present regime is the achievement of self sufficiency in rice production. It is certainly a remarkable step in a country that for decades was on the verge of famine and heavily dependent of foreign assistance to feed its people.

Although Laos is very much a rural country, where 90 per cent of the population is involved in agriculture, it owes an important part of its income to the Nam Ngum hydroelectric power station which exports most of its electricity to Thailand.

A fifth turbine is being financed by OPEC funds and IDA assistance. Here too the success is worth noting. Total electrical production has grown by 244 per cent between 1976 and 1980.

Chinese assistance, important until 1978, has been replaced, more and more, by Comecon involvement. Laos is not known for its efficiency

and today Soviet assistance is increasing on a project by project basis.

Sweden's International Development Agency did in 1983 provide non repayable assistance worth \$2.7 million for forestry development and about \$6 million to improve economic and social cooperation between the two countries.

Japan has marginally increased its contribution (from \$3 to \$3.5 million), while not surprisingly, various agreements were signed recently with Vietnam. A July 22 memorandum for development in Savannakhet Province will see Lao technicians go to Vietnam for training. Two days later a three year cooperation agreement was signed between the finance ministries of the two countries.

It will, of course, give Hanoi better control over its neighbours. The construction of roads linking northern Laos with Vietnam (two of these were completed this year) should be seen in the same perspective.

Assistance has also come from Hungary (medicine and laboratory equipment), Mongolia (educational equipment), UNICEF, World Bank, etc. A French company, Rhômes Poulenç sold medicine for \$1 million.

So, although very poor (with a per capita income of barely \$100 while Thailand is over \$400 and Malaysia \$2,000), Laos is slowly emerging from total poverty. But is it achieving its total independence in the process?

For small countries like Laos or Kampuchea neutrality is the best solution. Or, one should say, the ideal solution, because very rarely are they left alone. Not only do big neighbours sometimes show a too possessive interest in their future but local politicians and leaders are tempted to look abroad for support.

This has been the story of Laos in the past. It still is today. While the present regime depends on Vietnam and the Comecon to ensure its existence, other forces are looking either in the direction of China or the West to change what they perceive as an unacceptable situation.

The problem for the resistance is that, although the Vientiane regime is not the most efficient or the most independent in the world, they are even worse. The most persistent observers have lost count of the number of resistance movements presently in existence. Some have a few hundred troops, others little more than big dreams. They probably spend more time arguing between themselves than fighting for their cause. Sometimes even their cause is not very clear. It does not mean that you won't find some courageous and dedicated men and women in their ranks. Too many are still being used by old fashioned politicians with little more than personal ambition.

Could one day Lao be united? Could one day Laos be a truly independent nation? Could it one day find an honourable place between friendly countries? There are no easy answers. In private many officials will tell you that they resent the sometimes heavy-handed Vietnamese "influence" over their country. Lao foreign policy on any major topic is a carbon copy of Hanoi's.

Still Laos has managed to keep some of its (very complicated) national character. Maybe a political solution of the Kampuchean problem could relax Vietnam's attention over Laos. If Hanoi feels reassured about its own security it may worry less about what's going on in Vientiane. That hypothesis still leaves unanswered a very crucial question: Can Laos stand on its own feet?

CSO: 4200/313

BIOGRAPHIC INFORMATION

[The following information is extracted from the Vientiane media published on the dates indicated in parentheses after each entry in the REMARKS column. The following abbreviations are used for the names of publications: SP=SIANG PASASON, PS=PASASON, VM=VIENTIANE MAI, NL=NOUM LAO, ML=MEGNING LAO, KKPL=KHAOSAN PATHET LAO, SM=SUKSA MAI]

NAME	REMARKS
Bounnang Sisomblong	Secretary, Hom District Party Committee, Vientiane Province (SP 31 Dec 82 p 2)
Bounnang Volakit, Col	Member, LPRP CC, Secretary of Savannakhet Province Party Committee, Chairman, Provincial Party Committee [as published]. Attended a conference on malaria suppression (KPL 10 Jan 83 p A3)
Bounma Mithong, Col	Party Secretary, Vientiane Capital. Met delegation from CPSU CC Cabinet (VM 8 Mar 83 p 1)
Bounmi Chaleunsai	Deputy Party Secretary and Chairman, Provincial Administrative committee, Oudomsai Province. Spoke at rally celebrating elimination of illiteracy in Oudomsai (SP 19 Feb 83 p 2)
Bounheuang Douangmani	Deputy Party Secretary and Chairman, District Administrative Committee, Thoulakhom District, Vientiane Province. Guided reporters around during planting season (PS 9 Jun 83 p 2)
Bounnam	Party Secretary and Chairman, Administrative Committee of Saisomboun District, Vientiane Province. Attended ceremony on end of illiteracy in district (PS 7 Jun 83 p 1)

Bounpan Manthala	Acting Party Secretary, Sayaboury Province. Spoke at meeting hailing results of Indochina summit (KPL 8 Mar 83 p A4)
Bounpheng	Twenty-seven year old deputy chief of Organization Department, Khammouan Province Public Security Service and Youth Union Secretary of Province Public Security Service. Has been decorated by [Central] government and province. (NL 15-30 Sep 82 p 6)
Bounphong	Chairman, Pek District Administrative Committee, Xieng Khouang Province. Escorted correspondent on visit to a district agricultural cooperative unit (SP 1 Feb 83 p 2)
Bountha Siangkathat	Secretary, Saravane Province Party Committee (KPL 30 Aug 83 p A5)
Bounthon Lathao	Secretary, Pakse District Party Committee, Vientiane Province. Goes to base area to boost production (VM 25 Oct 83 p 1)
Chanbounmi	Deputy Secretary, Louang Namtha Province Party Committee, Chairman Province Administrative Committee (ML Nov 83 p 2)
Chanson, Capt.	National emulation combatant, LPA vice chief of staff for Luang Prabang Province. Attends youth conference (NL No 112 [1983])
Chanko Phimmason, Brig Gen	Deputy Chief, Army General Political Department addresses promotion ceremony for officers 2Lt to Major (KPL 3 Oct 83 p A2)
Chan Peu	Secretary, Sanasomboun District Party Committee, Champassak Province. Interviewed on agricultural progress in district (PS 13 Oct 83 p 2)
Chandi	Member, provincial party committee and secretary LPRYU for Oudomsai Province. Interviewed on first LPRYU congress (PS 26 Apr 83 pp 2, 3)
Chandi Homphouvong	Secretary, LPRYU Sayaboury Province. Expresses feelings on eve of LPRYU congress (PS 27 Apr 83 p 2)
Channam Chittavong	Secretary, Vang Vieng District Party Committee, Vientiane Province. Discusses developments in district (SP 1 Mar 83 p 2)

Di Vanthalat	Deputy secretary, Khammouan Province Party Committee. Gives views on upcoming LPRYU congress (PS 7 Apr 83 p 3)
Gnouat Phannavong	Chairman, Phon Hong District Administrative Committee, Vientiane Province. Attends awards ceremony (VM 2 Feb 83 p 1)
Khambot Sisouvong	Acting party secretary, Vientiane Province. Went to the bases to guide production in farming season (PS 28 May 83 p 1)
Khambou	Vice chairman, Saravane Province Administration Committee (SP 6 Jan 83 p 1)
Khamla Latsoulin	Member, standing committee, Savannakhet Provincial Party Committee (HENG NGAN 1-15 Nov 83 p 5)
Khamma Phomkong	Deputy chief, LPRP CC Propaganda and Training Commission. Met with people in Hatsuifong District, Vientiane Capital (VM 17 May 83 p 1)
Khammi Bounmakhoun	District party secretary, chairman, District Administrative Committee, Mounlapamok District, Champassak Province. Commented on boosting production and cooperativization (PS 21 May 83 p 2)
Kham-on Phomsoulichit	Secretary, provincial party committee and chairman, provincial administrative committee, Phong Saly Province. Attended Khua District Party Congress (KPL 9 Dec 83 p A9)
Khamphai Oundala	Vientiane Province party secretary. Gave interview on economic and security situation in province (PS 10 Aug 83 p 2)
Khamphi Vilachit	Secretary, party committee and chairman, Administrative Committee, Sing District, Louang Namtha Province. Chaired meeting on 1983 production plan (PS 7 May 83 p 1)
Khamphou	Member, party committee and secretary, LPRYU Houa Phan Province. Gave views on first LPRYU Congress and was quoted as saying that Houa Phan has 26,511 members in LPRYU (PS 21 Apr 83 p 2)
Khamphou Dalasin	Acting chairman, Saravane Province Administrative Committee. Attended fete for literacy campaign also attended by Souphanovong (PS 17 Oct 83 p 2)

Khamsing	District party secretary and chairman, Administrative Committee, Khoua District, Phong Saly Province. Attended district party conference (KPL 9 Dec 83 p A9)
Khamsing Phommalat	Secretary, LPRYU for Luang Prabang District and Province (PS 29 Apr 83 p 3)
Khankham	District party committee secretary and Executive Committee secretary, Lakhonpheng District, Saravane Province. Attended closing of district party conference attended by 70 people representing various units (PS 5 Dec 83 p 1)
Latsami	Deputy secretary, Houa Phan Provincial Party Committee (SP 3 Jan 83 p 1)
Loma Namvong	Member, party Standing Committee and vice chairman, Phong Saly Province Administrative Committee. Visited Lai Chau Province, SRV (KPL 14 Apr 83 p A 4)
Maichantan Sengmani	Member, party secretariat and chief, party Control Commission. Attended LPRYU congress (NL 1-15 May 83 p 10)
Malpeng	District party committee secretary, Sing District, Louang Namtha Province (SP 1 Oct 82 p 3)
Maisouk Saisompheng	Member, CC LPRP, minister of industry, handcrafts, forestry; vice chairman, Lao-USSR Commission on Economic, Scientific, Technical Cooperation (SP 3 Jan 83 p 2)
Mountha Si-angkhathat	Secretary, Saravane Province Party Committee (SP 6 Jan 83 p 1)
Nouban Chanthachak	Vice chairman, LPRYU. Attended meeting on political life-style in Savannakhet Province (NL 1-15 Dec 82 p 16)
Nao Tou	Commander, Xieng Khouang regional military forces. Appeared at Xieng Khouang Province's celebration of 7th National Day (HENG NGAN 1-15 Dec 82 p 7)
Kouan Keomani, Major	Provincial party secretary and chairman, provincial administrative committee, Louang Namtha Province. Led delegation on visit to Vinh Phu Province, SRV (KPL 9 Aug 83 p A1)

Olapho Saignavong	Chairman, Saravane Province Administrative Committee. Attended meeting hailing results of Indochinese summit (SP 4 Mar 83 p 1)
Phadi Keomani	Secretary, provincial party committee and chairman, provincial administrative committee, Khammouan Province. Attended celebration of 38th SRV National Day (PS 13 Sep 83 pp 1, 2)
Sounthan Thammavong	Member, Standing Committee and chairman, Administrative Committee, Khong Sedone District, Saravane Province (SP 21 Feb 83 p 2)
Sompheng Keobounhouan	Member, LPRP CC, secretary, Oudomsai Province Party Committee (SP 15 Feb 83 p 1)
Soulin Sivongsa	District party secretary, chairman, district administrative committee, Pakse District, Vientiane Province (SP 1 Nov 83 p 1)
Somphon	Secretary, Kham District Party Committee, Xieng Khouang Province (SP 23 Nov 82 p 2)
Souban Somsihapangna, Capt	Deputy chief, Vientiane Capital Police Command. Attended promotion ceremony for command (VM 14 May 83 p 1)
Sengchan Sengchonghak	Secretary, Sanakham District Party Committee, Vientiane Province. Visited production bases to mobilize people to revive abandoned fields (PS 17 May 83 p 1)
Saignavong	Member, LPRP CC, secretary, Houa Phan Provincial Party Committee and chairman, Houa Phan Province Administrative Committee. Attended Houa Phan congress of LFNC (PS 10 May 83 p 1)
Souvandi Phommali	Deputy secretary, provincial party committee; chairman, provincial administrative committee of Luang Prabang Province; chairman, Lao-USSR Friendship Committee. Attended party on anniversary of defeat of Hitler (PS 16 May 83 p 1)
Sounthon Thep-asa	Member, LPRP CC, secretary, Champassak Province Party Committee. Visited bridge construction site. (KPL 13 Apr 83 p A1)
Sivilai Soulivong	Acting chairman, Vientiane Province Administrative Committee. Went to base areas to guide production in farming season (PS 28 May 83 p 1)

Thongsai	District party committee secretary and chairman, Saithani District Administrative Committee, Vientiane Capital. Attended the opening of a purchase/sales cooperative. (VM 6 Dec 83 p 1)
Thitlom Keochomsi	Secretary, Phon Hong District Party Committee, Vientiane Province. Attended women's association conference. (VM 4 May 83 p 1)
Thongket Soulivong	Member, party committee, chairman, Administrative Committee, Saisettha District, Vientiane Capital (VM 20 Nov 83 pp 1, 4)
Thongphan	Deputy secretary, Houa Phan Province Party Committee (SP 3 Jan 83 p 1)
Thongmai Thiphommachan, Col	Alternate member, LPRP CC; member party committee and vice-chairman, Vientiane Capital Administrative Committee; chief, Police Command, Vientiane Capital. Attended promotion, awards ceremony for Vientiane Capital police command (VM 14 May 83 p 1)
Visai Vongsili	Chairman, Champassak District Administrative Committee and secretary district party committee, Champassak Province. Forecasts district agricultural production. (PS 30 Nov 83 p 3)
Visai Douangmani	Deputy party secretary, Paksan Party Committee, Vientiane Province. Went to base area to boost production (VM 25 Oct 83 p 1)
Yong Yia Ya	Deputy secretary, party committee and chairman, Xieng Khouang Province Administrative Committee. Interviewed on province development (PS 4 Apr 83 p 2)

CSO: 4206/55

LIQUIDITY PROBLEMS SURFACE FOR FIRMS WITH MIDDLE EAST CONTRACTS

Manila BULLETIN TODAY in English 15 Dec 53 p 10

[Text]

Philippine construction firms with multi-million-dollar contracts in the Middle East are suffering severe illiquidity brought about by financial reverses Middle East countries are encountering, it was reported.

The Middle East countries, which had previously enjoyed staggering oil revenues, are now facing budget deficit problems.

The plummeting of oil prices and production levels due to the decrease in the world oil demand, together with the political instability in the region has resulted in cutbacks in the funding of their development programs.

Also adversely affected by the crunch are local construction firms which have contracts in the Middle East. The Middle East construction boom was looked upon previously as the panacea for the chronic foreign exchange and unemployment problems. Today, however, it is now the

source of compounded headaches for Filipino contractors.

The "Saudization" of projects in Saudi Arabia has resulted in more contracts awarded to Saudi companies and nationals thus, further cutting the Philippines' limited exposure. With reduced budgets and stiff competition, contractors are being forced to get their labor requirements from cheaper manpower-exporting countries like India, Sri Lanka, Bangladesh, Pakistan, and others.

The Gulf states have likewise drastically decreased their expenditure levels. As an offshoot of its protracted war with Iran, Iraq has announced a two year moratorium on progress payment servicing for its contracted projects.

The suddenness and extent of the budget cutbacks and payment deferments have spawned severe liquidity problems for contractors.

CSO: 4200/315

PHILIPPINES

FISHING BOAT BELIEVED TO BE JAPANESE SPY CRAFT

Manila BULLETIN TODAY in English 19 Dec 83 p 36

[Article by Owen Masaganda]

[Text] Infanta, Quezon--A 52-foot fishing boat believed to be spy boat was found along the Pacific Ocean shoreline of barangay Kanaway in Gen Nakar, Quezon.

First Lt Rodolfo Y. Magtibay, 231st Constabulary commander in his report to Col Antonio Sierra, Quezon PC chief, said the boat bore Japanese characters. It was powered by a Mitsubishi diesel engine capable of traveling in the high seas.

The boat is now under the custody of councilor Pedro Ritual. Some provision were found inside the cabin, the report said.

The authorities said that they will contact the Japanese embassy in Manila if it received reports of stranded fishermen. (Owen Masaganda)

CSO: 4200/321

FOREIGN CONTROL OF FIRMS RULED OUT BY SEC

Manila BULLETIN TODAY in English 17 Dec 83 p 20

[Text] The government still does not allow a firm, whose majority outstanding capital stock is owned by Filipinos, to be controlled by foreign stockholders through occupation of a majority of the seats in the board of directors.

The Securities and Exchange Commission (SEC) issued this ruling in reference to inquiries as to whether five individuals consisting of a Filipino holding 70 percent of the outstanding capital stock and four resident foreigners holding the remaining 30 percent may form a corporation and act as incorporators and directors at the same time.

SEC Chairman Manual Abello said the query was an offshoot to the recent incorporation of a similarly situated firm, Nutcracker (Far East) Corp, whereby the commission had advised the firm that since majority of the holdings is Filipino, the board of directors should have a Filipino majority.

Abello, however, said that there is no legal obstacle to the formation of the company even if the incorporators and board of directors are made up of one Filipino and four resident foreigners.

Under the law there is no provision as to citizenship requirement in the board of directors. The only applicable provision is Sec 23 of the Corporation Code of the Philippines which provides that majority of board of directors or trustees of all corporations organized under the code must be residents of the Philippines.

The Anti-Dummy Law, however, penalizes the intervention of aliens in the management, operation, administration or control of a nationalized enterprise or activity. Recently the government through a Presidential decree allows foreign investors to put in 100 percent equity in non-pioneer enterprises in the country.

Abello said the presidential order does not apply to those instances that will violate provisions of the constitution.

CSO: 4200/321

GOVERNMENT MOVES TO FIGHT INFLATION

Manila BULLETIN TODAY in English 17 Dec 83 p 12

[Article by Domestic Information Service]

[Text] Recent government moves are being directed at mitigating the impact of the price increases in the basic commodity items on the consumers as a result of the adjustment in the peso-dollar rate.

More stringent measures are now being adopted by the government to check profiteering and hoarding by unscrupulous traders.

In the forefront of the implementation of these measures is the Price Stabilization Council which have been charged with managing the prices of basic and essential commodities.

Following the hike in fuel prices, prices of basic commodities have shot up with manufacturers complaining of higher production costs.

The government has launched a massive food production program under the Kilusang Kabuhayan at Kaunlaran (KKK) aimed at attaining food self-sufficiency even on the grassroots level.

In addition, it has stepped up its campaign against price manipulators, profiteers, and hoarders which have taken advantage of the situation and has increased penalties for price violators.

The government has also increased by ₱6.50 the basic wages and allowances of workers in the private sector and granted additional cost-of-living allowance of ₱100 for government employes.

To enable consumers to buy essential commodities at lower prices, the government has set up more Kadiwa stores and centers all over the country.

To cushion the impact of the price increase on farmers, the government has increased the support price of palay from ₱1.80 to ₱2.10 a kilo.

The government continues to adopt price control measures to discourage profiteering and hoarding of basic goods. Today there are at least 13 commodities in the price control list.

But the government has time and again maintained its adherence to the principles of a free enterprise system. While it does not really want to impose price controls, the government is forced to do so during abnormal times to protect the consumers.

Private sector businessmen argue that price controls hinder production and discourage private initiative. Prices, they said, must be determined by market forces or by the law of supply and demand.

Economists who also share the view of private businessmen warn that price controls if carried too far may be disastrous to the economy and produce negative results. They explained that price controls may only cause prices to rise as production slumps due to inadequate incentives.

In the long run, economists argue, prices can only be reduced or maintained at tolerable levels by expanding production and by improving the distribution system.

Given the right prices, farmers, for instance, will be motivated to produce more and prices would ultimately stabilize.

The government saw the truism in these arguments and has even planned the total removal of price controls and ceilings. However, adverse developments in the domestic and international economy which have exerted upward pressures on prices have deferred plans.

And at this time when the economy is undergoing a period of adjustments, the government maintains that price controls have become more necessary.

CSO: 4200/321

ASIAN DEVELOPMENT BANK ACCELERATES \$50 MILLION DISBURSEMENT

Manila BULLETIN TODAY in English 17 Dec 83 pp 1, 13

[Text]

The Asian Development Bank (ADB) authorized yesterday the accelerated disbursement of \$50 million to the Philippine government out of current loans to the country for various projects to enable it to import high-priority items for local industries.

The money represents a part of the loan proceeds to be disbursed in 1984 to finance local expenditures on the concerned projects in accordance with the relevant loan agreements.

ADB President Masao Fujioka, who made the announcement, said that this action was in accord with the bank's objectives and procedures, and would also be especially helpful at this time in view of the government's need for foreign exchange to maintain essential imports.

By agreement with the government, the foreign exchange disbursed by the bank will be used by the Central Bank exclusively for financing the imports of high priority items required by export industries.

Adequate provisions had been made to ensure that the local expenditures relating to such accelerated disbursements would be promptly met when such expenditures become due to be incurred by the projects executing agencies, Fujioka added.

The ADB announcement came a few days after the bank approved new loans totalling \$112.7 million for the Negros-Panay interconnection energy project and a sector irrigation project in Mindanao.

The Central Bank assured yesterday full support for the country's banking system in the

wake of wild speculations and rumors on the future and condition of some financial institutions.

The CB said that under its charter, it is mandated to give financial assistance, including emergency loans, to banks which may encounter liquidity problems.

Under this set-up, banks which may be hit by heavy withdrawals of deposits for one reason or another, are assured of servicing depositors to the fullest.

Uncertain economic conditions have given rise to all sorts of rumors in the business and financial community.

CB Gov. Jaime Laya described as false and without basis reports last Thursday that the CB would declare a bank holiday.

A bank holiday refers to a freeze on bank accounts during which period depositors are not supposed to withdraw their funds from banks.

CSO: 4200/321

LIGHT GRADE OIL FOUND NEAR PALAWAN

Manila BULLETIN TODAY in English 17 Dec 83 pp 1, 11

[Text] Philippine Cities Service (PCS), a wholly owned subsidiary of Occidental Petroleum of the United States has found oil in offshore Palawan described to be of "sweet" or light grade and comparable to Saudi Arabian light crude oil.

Energy Minister Geronimo Z. Velasco reported yesterday to President Marcos that Galoc 2 well being drilled in the seas northwest of Palawan flowed oil at a rate of 1,170 barrels a day Wednesday noon.

The oil was encountered at a depth of about 7,200 feet. As of 1 p.m. yesterday Velasco said, the flow rate was up to 1,600 barrels a day. The oil was flared last Wednesday and yesterday.

The well confirmed earlier projection that there is an oil reservoir in the area. It may be recalled that the Galoc 1 well was discovered in August, 1981. Galoc 1 well was drilled at a total depth of 12,141 feet and flowed oil at a maximum rate of 1,800 barrels a day.

Galoc 2 is about two kilometers north of Galoc 1.

"The important thing is that the presence of oil has been established," Velasco said.

The consortium working on the Galoc complex has allocated \$70 million for the drilling work in the field. The PCSI heads the consortium. Other members are Husky Oil of Canada and local firms Oriental Petroleum, Philodrill, Basic Petroleum, and Land Oil.

It used a new rig named Sedco 602 which was fabricated in Singapore. The group has long been producing oil from Nido and Matinloc also in offshore Palawan.

Dr Arthur Saldivar-Sali, deputy director of the Bureau of Energy Development, who flew with newsmen over the Galoc 2 well yesterday afternoon said that a third well may be drilled in the field to determine the size of the reservoir.

Saldivar-Sali said the drilling of another well will depend on the results of a study on Galoc 2.

Galoc may possibly be the country's first deep water oil field. It has an oil bearing structure potentially larger than the existing three producing wells namely Nido, Cadlao, and Matinloc which have a combined average output of about 21,000 barrels a day. These three fields, however, are in a relatively shallow water ranging from 80 feet to 375 feet deep.

Galoc 1, on the other hand, was drilled at a depth of 1,055 feet while Galoc 2 was drilled at a depth of 1,240 feet.

CSO: 4200/321

REDUCED DEPENDENCE ON IMPORTED OIL REPORTED

Manila PHILIPPINES DAILY EXPRESS in English 17 Dec 83 p 5

[Text] The development of alternative energy resources in the last ten years has substantially reduced the country's dependence on imported oil.

Domestic energy self-sufficiency increased from 5 percent in 1974 to the present 35 to 40 percent.

The increasing utilization of indigenous energy resources has helped in arresting further her erosion of the country's balance of payments position. The development of indigenous oil, coal, hydro, geothermal, agri-industrial wastes and non-conventional fuels has saved the country \$1 billion in 1982 based on average crude oil prices.

In the last ten years the country was able to save approximately \$4.2 billion in foreign exchange. During the first eight months this year, the country realized savings of about \$618 million or 22.1 million barrels of fuel oil equivalent with the development of indigenous energy resources.

Less reliance on imported oil has resulted in the decline of the country's oil bill from \$2.5 billion in 1981 to \$2.1 billion in 1982. Payments for oil imports account for a great portion of the total imports of the Philippines.

At the height of the first oil crisis in 1973, the Philippines had an oil import bill of only \$231 million, representing only 13 percent of total imports at the time.

In 1982, indigenous energy resources constituted 32 percent of total energy. This consisted mainly of bagasse (7.7 percent), geothermal (6.5 percent), agri-industrial wastes (6.1 percent), domestic oil (3.1 percent) coal (1.1 percent) and the non-conventional energy (0.1 percent).

By 1987, indigenous energy resources are expected to approximate 52.2 percent of total energy.

Latest assessment of indigenous energy resources reveals a very significant hydropower potential estimated at 45.4 million barrels of oil equivalent (MMBOE) annually, of which only 6.7 MMBOE is presently being harnessed to generate electricity.

Potential geothermal reserves are estimated at 6.2 billion barrels oil equivalent with proven reserves of 777 million barrels. As of December 1982 proven coal reserves reached 263 million metric tons. By 1987 coal is expected to be the biggest non-oil energy source of the country.

Total potential oil reserves of the country based on a series of oil discoveries are still being evaluated. At present, the country is producing an average output of 21,000 barrels per day from three oilfields--Nido, Matinloc and Cadlao. A fourth oilfield--Galor--is currently being developed at an initial cost of \$70 million.

Non-conventional energy sources such as agricultural wastes and by-products, biomass, windpower, solar are projected to yield an equivalent of 1 billion barrels of oil annually. (Domestic Information Service)

CSO: 4200/322

GOVERNMENT STEEL MILL CONSTRUCTION SHELVED

Manila PHILIPPINES DAILY EXPRESS in English 15 Dec 83 p 10

[Article by Rosario A. Liquicia]

[Text] The government has deferred the construction of its ambitious \$750-million integrated steel mill because of financial difficulties, a Board of Investment (BOI) official disclosed yesterday.

This brings to six the number of major industrial projects so far shelved by the government.

These six were part of the 11 major industrial projects drawn up by and pursued by the state-owned National Development Co (NDC) supposedly to propel the country towards industrialization.

Five other projects shelved earlier were the following: aluminum smelter, petrochemical, heavy engineering, pulp and paper, and high-range diesel engine projects.

BOI Gov Federico Borromeo, however, explained that the two foreign contractors earlier selected by government to undertake the two phases of the steel project have not withdrawn their "commitments" to build the steel plant.

"This means the project will be ready for implementation if the government decides so," Borromeo claimed.

This was the first time the government admitted that the steel project was being held for financial reasons.

Trade and Industry Minister Roberto V. Ongpin earlier insisted the project was still "on."

The contract to build the iron-making and steel-making phases of the steel complex were awarded months back to Marubeni Corp and Davy McKee.

But even before the two groups could start initial civil works on the project, the economic crisis set in and clouded the chances for the projects of being pushed through.

The setting up of the steel project, along with other industrial ventures has been questioned by the International Monetary Fund ((MF) and other creditors because of the financial burden they bring to the country.

CSO: 4200/316

'MISLEADING REPORTS' ON BASE LABOR REVIEW CITED

Manila BULLETIN TODAY in English 15 Dec 84 p 16

[Article by Cesar De La Torre]

[Text]

The Federation of Filipino Civilian Employes Association (FFCEA) in US Facilities has deplored the publication of "misleading reports" on the proposed revision of the Base Labor Agreement.

Roberto A Flores, president of the FFCEA said a small segment of the base's workforce who would like to have a separable collective bargaining agreement with management (US military authorities in the country) could likely be the source of such erroneous and misleading informations.

Flores said, what will take center stage in this BLA revision, among the myriad of issues, are:

—*RP sovereignty* This is not bargainable. The US panel in the renegotiation should be asked during the meeting to submit the proposed exceptions to the application of Philippine labor and social laws in US bases in the interest of the orderly and effective operation of the bases.

—*RP government prerogative* The Philippine government should reserve the right to withdraw any of the exemp-

tions when, in practice, becomes the rule and when it abridges said sovereignty in practice.

—*Collective Bargaining*. The Union's basic rights should not be abridged in any manner, to wit, (a) the right to "wage setting" and rights to establishing with US military authorities an equitable and just dispute settlement system that will insure speedy justice; all doubts shall be in favor of labor.

—*Self-organization*. The FFCEA proposes that it must be the only umbrella organization that must be the exclusive bargaining representative of all direct-hired employees; to preclude conflict of interest, no group of employes may be legitimately recognized as an affiliate of the FFCEA performing managerial or supervisory functions.

—*Security of tenure*. The FFCEA proposes that management, to determine workforce and related rights must not operate to deny basic rights of employes to security of tenure and current ceiling of personnel should not be disturbed without prior con-

sultation with and concurrence of union.

—*Preferential employment*. Exceptions on the matter of preferential employment for Filipino nationals in local US bases should operate to preclude Filipinos from occupying positions current and created, resulting from requirements of service or reorganization except positions that are highly sensitive and requires access to classified matter from secret up-graded top secret.

Flores said that FFCEA further proposes that the so-called "escape clauses" in the current BLA regarding security of employment be totally scrapped.

One more item of importance, Flores pointed out, is "equal work for equal pay" principle which is only good in US correspondence.

All the above items for proposed discussion, Flores said, must be consistent with Philippine sovereignty pursuant to item VI of the RP-US Memorandum of Agreement of 1983 between Philippine ambassador Benjamin Romualdez and US ambassador Michael Armacost.

CSO: 4200/315

PAPER IMPORTS THREATENED WITH CUTS

Manila BULLETIN TODAY in English 16 Dec 83 p 24

[Text]

The Board of Investments (BOI) recommended to the Central Bank a 50 per cent cutback on the dollar allocation of paper importers for 1984 following the scarcity in foreign exchange availability.

Deputy trade and industry minister Edgar L. Tordesillas, who is also vice chairman of BOI, made the recommendation after a dialogue with representatives of the industry last week.

The cutback on dollar allocation was based on the average annual importation of the industry during the last two years. The industry received a dollar allocation of some \$66 million annually between 1982 and 1983.

Romy Tam, spokesman of the Printing Industry Association of the Philippines (PIAP) and incoming president of the Philippine

Printing Technical Foundation (PPTF), said the proposed allocation is still subject to the amount of dollars available for next year.

The pulp and paper industry is one of the eight industries given priority by both the BOI and the Central Bank in the allocation of dollars.

Tam said the allocation covers importations of solid bleached, claycoated paper and coated paper which constitute the bulk of the imported requirements of the printing market.

In the recently-held dialogue participated in by PIAP, PPTF, the Pulp and Paper Manufacturers Association (PULPAPEL) and the Paper Traders Association, the importers sought further a request to increase the allocation in view of the expected increase in the costs to be pas-

sed on by suppliers.

PIAP president James Chiu proposed the inclusion of the increased costs to be adjusted by suppliers as well as the importation of spare parts which was not covered by the BOI recommendation.

Chiu estimated that suppliers would be increasing their prices by as much as 20 per cent from current levels.

In a related development, BOI-registered firms have asked to be given equal preference with exporters in the priority list. According to them, they are classified as indirect exporters since they supply packaging materials used by exporters in shipping their products abroad.

The firms said if not given equal preference with direct exporters, the latter might resort to importing their packaging requirements.

CSO: 4200/315

PELAEZ' COCONUT INDUSTRY POSITION SAID 'INCONSISTENT'

Manila BULLETIN TODAY in English 17 Dec 83 p 31

[Text] Minister of State and Assemblyman Antonio R. Tupaz of Region X said that Minister of State Emmanuel Palaez "has been inconsistent" on his position about the coconut industry.

Tupaz said a few months back, Assemblyman Pelaez demanded the total dismantling of Unicom and allow unlimited exportation of copra.

Lately, Tupaz added, Pelaez has been demanding the decentralization of the management of Unicom by allowing the coconut farmers to manage oil mills in their respective regions.

Pelaez's latest stand is a total reversal of his previous position and is intended to benefit someone under the principle of divide and rule at the cost of national interest by a unified, sound and strong coconut industry capable of checking the cartels and activities of international trade, Tupaz stressed.

He added that Pelaez's proposal is counterproductive as it will derail industry rationalization programs during the last four years since what is really needed is a strong milling sector to avert foreign dictation of coconut oil price.

He recalled that Pelaez tried establishing a mill in 1977 in partnership with prominent businessmen but was frustrated by the decision of the government to rationalize the milling industry due to over-capacity of oil mills.

A coconut industry that is divided can only benefit some people who have a get-rich-quick mentality, Tupaz said.

Pelaez has been fighting for a united coconut industry before martial law and some people think that he is an outsider looking inside because some other people succeeded in unifying the industry, he added.

Tupaz asked whether Pelaez has an alternative program of protecting the industry without sacrificing at the same time the interest of the national economy.

Tupaz stressed that the Unicom far from being a private concern alone is an important factor in the making of a sound and dignified national economy free from the dictation of international cartels and financial imperialists.

CSO: 4200/321

TWO CAR FIRMS HALT OPERATIONS

Manila BULLETIN TODAY in English 17 Dec 83 pp 1, 13

[Text]

As a result of business reverses and non-availability of imported and local raw materials, two of the country's four car assemblers will temporarily shut down their operations, while another is terminating the services of 1,016 workers.

Canlubang Automotive Resources Corp. (Carco) and Ford Philippines announced temporary stoppage of operations.

Officials of Delta Motor Corp. notified yesterday the Ministry of Labor and Employment that effective tomorrow, the company is terminating the services of the 1,016 workers at its assembly plant in Parañaque and main office in Makati to minimize production cost.

Delta, according to records of the Labor Ministry, used to have at least 2,700 employees. This number was trimmed down to 1,406 last month.

With the termination of the 1,016 workers, Delta Motor will now have only 389 employees.

The company assured that all workers will be given separation pay and other benefits as provided for under the Labor Code.

Contacted for comment, Dominador Gafa, senior vice president for administration of Delta, said not all the 1,016 employees were laid off due to the retrenchment. Many have already reached retirement age, he added.

Carco, assembler of Mitsubishi cars, told the Bulletin that it has decided to temporarily shut down operations from Dec. 24, 1983, to Jan. 15, 1984.

While Carco officials said the stoppage of work is necessitated by its annual routine maintenance shutdown, it was

gathered that this year's shutdown was primarily due to lack of imported completely knocked-down parts (CKD).

"It is a matter of getting these things," the sources said. They pointed out that if the situation becomes serious, the shutdown period would be prolonged.

Ford Philippines, assembler of Ford cars, likewise decided to shut down operations temporarily from Dec. 24 to Jan. 3. As early as November this year, Ford had adopted a rotation scheme for its workers due to unavailability of raw materials and difficulties in securing letters of credit.

Other workers of both companies have been asked to take their accrued vacation leave. These workers are to return to work next month.

CSO: 4200/321

KALINGA RALLY ASSAILED UNSOLVED KILLINGS

Manila BULLETIN TODAY in English 18 Dec 83 p 36

[Article by I.S. Chammag]

[Text]

TABUK, Kalinga-Apayao — A multisectoral rally held here last Friday assailed the unsolved killings in the mountain barrios which, it said, occurred almost once a week during the last 14 months.

Most of the victims were "salvaged" (summarily executed) allegedly by soldiers and policemen or killed during tribal wars, the demonstrators claimed.

The "people's rally for peace and justice" also condemned rampant cattle-rustling, theft, and robbery cases which, it said, also remained unsolved.

The rally, led by the Free Legal Assistance

Group (FLAG) started with a march by farmers, businessmen, and students from three assembly points into the town plaza.

William Claver, a FLAG lawyer, called for the resignation of top government officials and boycott of the January plebiscite and May, 1984, elections.

Another FLAG lawyer, David Daoas, castigated the Kalinga-Apayao provincial leadership for its "apathetic and unconcerned" attitude on the sad plight of the people who had been calling for the proper investigation and solution of the series of killings and banditry that have plagued the province.

One relative of a

"salvaged" Mrs. Pacita Mayangao, told the crowd that "it is not true that my family was paid ₱1,000 in order that the investigation of my husband's killing will be fixed."

Her husband, Col. Ricardo Mayangao Sr., Tabuk police chief, was killed at the time he was about to solve a series of crimes and killings that included the slaying of Pat. Fernando Espiritu. Espiritu's body was riddled with bullets and found along a creek.

Another relative also recounted that her brother Francis Gomgomo was shot to death by a policeman and a Constabulary captain last Sept. 27 for a very "petty reason."

CSO: 4200/321

PHILIPPINES

CARTOON PARODIES POLICE GRAFT

Manila PHILIPPINES DAILY EXPRESS in English 17 Dec 83 p 4

[Text]



CSO: 4200/322

REBELS' STRENGTH IN SOUTH ASSESSED

Manila BULLETIN TODAY in English 15 Dec 83 pp 1, 14

[Art 1, 1c, b; Jose De Vera]

[Text]

PAGADIAN CITY —

Close to 100 civilians, civic leaders, barangay officials, and school teachers have been killed in a year's time in Western Mindanao by New People's Army guerrillas, military officials said here today.

The figure does not include soldiers and members of paramilitary units and policemen slain in ambushes and encounters, they said. More than 90 NPAs were killed and 34 captured in these incidents.

Maj Gen Josephus Q. Ramas, Army commanding general, was briefed on the NPA situation in the region by Col. Reynaldo Dilan, commander of the 2nd Infantry Brigade of the 4th Infantry division whose area of operations covers Misamis Occidental, Zamboanga del Norte, and Zamboanga del Sur.

Ramas and members of his general and special staffs made a stopover here on the first leg of his three-day yearend visit and inspection of field units.

Dilan said that the biggest casualty enacted in a single, one-sided affair was an ambush staged by heavily armed NPAs in Salug, Zamboanga del Norte, last Sept. 29, where 39 soldiers and six civilians aboard a hired private truck were killed.

The slain troopers were part of a battalion thrown into a month-long anti-rebel "sweeping operations."

Dilan told the Army chief that the leader of the ambusheers was former PC M/Sgt. Ernesto Rodrigues who defected to the NPA in 1979.

Before his defection, Rodrigues was awarded the Gold Cross medal for heroism in various encounters with NPA liquidation units in Liloy and nearby towns.

In the latest of such encounters, Dilan said, Rodrigues was severely wounded, causing his long hospitalization.

According to Dilan, Rodrigues felt neglected when he discovered that he had to foot all the hospital bills after his recovery. Disillusioned, the soldier defected to the rebels, Dilan told Ramas.

Ramas ordered Dilan to

organize teams to go after the renegade.

Dilan disclosed that the strength of the NPAs in the two Zamboanga provinces and Misamis Occidental was growing to about 900 men, with reinforcement coming from Bukidnon.

He said the rebels were intensifying their "reign of terror," especially in the imposition and collection of taxes.

Those who opposed or were uncooperative to the NPAs were liquidated, Dilan said.

NPA groups of 50 to 100 are frequently reported to military intelligence agents, with some of them closing in or even entering the Zamboanga city proper, Dilan said.

In the NPA "agawan arms" (firearms-taking) movement, Dilan said the rebels staged 52 disarming incidents, taking 17 guns of high caliber from members of the civilian defense forces in Naburan, two from policemen of Liloy Primero, and 20 more from CHDF men in other areas.

At least 34 other high-powered rifles were taken from soldiers slain in the Sept. 29 ambush in Salug, he said.

NPA ACTIVITIES, STATUS ON MINDANAO PROFILED

Islamabad THE MUSLIM in English 9 Dec 83 p 3

[Article by Graham Lovell]

[Text] Davao, Philippines--the Communist guerilla New People's Army (NPA) already well-entrenched in parts of the northern and central Philippines, is set for a long slogging match for the hearts and minds of the people of the south. The rebels who can claim to be organising the only growing communist insurgency in Southeast Asia are picking up support even from those who consider themselves instinctively hostile to their policies.

Excesses by government forces against civilians during anti-rebel operations and misbehaviour by off-duty servicemen into taking sides in a conflict most wish would just go away.

Political doctrine seems to play little part.

Brainy

A businessman in Davao, a major city of Mindanao island close to where most of the current action is going on, said the NPA "are not all bad." They have brains.

"They are fighting for an ideology I disagree with but they have their rules," he said. "And in areas where the army or police it is the NPA who preserve peace and order and pull the criminals and bandits, including those who wear a uniform."

Much of the fiercest action has been in the provincial areas around the port of Davao in southeastern Mindanao.

Mostly it has been guerrilla ambushes against army patrols and counter-sweeps by army, marine and Ranger battalions, with help from the paramilitary, Philippines Constabulary and the civilian home defence force militia.

Mindanao was for many years the battleground of the Muslim secessionist Moro National Liberation Front, especially in the southwest and along the Zamboanga peninsula. That war has faded into sporadic hit-and-run raids or occasional bomb rages.

Serious Threat

The army does not rate the NPA highly as a military force, though senior commanders say that its training and equipment are improving. But it is small.

Estimates of its total strength vary and army commanders in Mindanao are reluctant to give a figure. Civilian sources put the number at about 5,000, mostly "irregulars" called out by hard core cadres who organise the guerrilla groups.

But the army and constabulary take seriously the threat by Communist Party organisers in urban as well as rural areas.

A Davao regional commander estimated there were 450 cadre organisers in his area, setting up cells and a command structure linking the provinces and communities of the southeast.

Political sources in Cagayan de Oro, a city on the north of the island and generally away from the major action, put the total cadre strength on Mindanao at about 1,000.

In Zamboanga, headquarters of the army's southern command, senior military sources said the NPA was apparently more intent on building its political base than carrying out military action.

"The biggest threat at the moment is the Communist Party itself rather than the NPA," a commanding general told Reuters. "They're trying to set up a broad political base, using threats, constitutional levers and coercion to our disadvantage.

Understanding

"There are very few of them, and in fact it might be easier to hunt them down if there were more... When we are not out on combat action we try to use moral persuasion on the people but it is difficult and goes against military doctrine," he said.

There seems to be a tacit understanding that the NPA, away from areas where it holds sway, leaves the major towns free of guerrilla operations though not of political penetrations.

"They want to encircle places like Davao and Zamboanga and Cagayan but leave them for their 'R-and-Rs' (rest and recreation) and for shopping for provisions they cannot get in the countryside," one military source said.

It is also apparently tactfully understood that the NPA does have some sort of code by which it seldom kills wantonly and only after due warning to the intended victim to mend his ways.

The guerrillas usually ambush only military patrols in search of arms and follow a pattern that distinguishes them from common bandits.

Similarly, the suggestion of an NPA presence does not always strike terror into the hearts of the innocent.

A young lieutenant, the local army company commander in a northern Mindanao town, smiled gravely when a young woman referred half-seriously to the "nice people's army."

This was in a community where last November 100 guerrillas seized the town hall one Saturday afternoon and made off with 15 high-powered weapons, a radio transmitter and a typewriter.

Military and government authorities say aid to the rebels in isolated farming communities is usually only given under duress and in response to threats from ruthless guerrillas.

Activist lawyers and human rights groups, many of them church-backed, challenge this assessment.

They say that far more compelling factors are abuses against civilians by the military, graft at almost every administrative level that breeds cynical distrust of government, and loss of land rights by farmers to multinational corporations.

Human rights activists and even normally pro-government newspapers offer persuasive evidence of arbitrary arrests, occasional disdain for the legal rights of detainees, excessive force against villages in military operations, and cases of rape, robbery, assault and murder by individual soldiers.

Military authorities acknowledge that there might be "a few bad eggs" in the ranks who cause trouble. But they say the army weeds out and punishes offenders.

The general in Zamboanga said: "We try our best to punish these people. But it is hard sometimes for a soldier to fight the enemy and at the same time try to do good work through civilian action programmes."

Other army sources say many of the abuses are committed by the locally recruited militiamen bent on personal vendettas.--(Reuters)

CSO: 4200/324

LIBERAL PARTY ASKS KBL TO DELETE MARCOS' DECREE POWER

Manila BULLETIN TODAY in English 19 Dec 83 pp 1, 11

[Article by C. Valmoria, Jr]

[Text] Liberal Party (LP) leaders asked the ruling Kilusang Bagong Lipunan (KBL) yesterday to delete Amendment No 6 from the Constitution so that the President can no longer exercise legislative powers when the regular Batasang Pambansa convenes in July next year.

The amendment provides that whenever in the President's judgment there exists a grave emergency or a threat or whenever the interim Batasang Pambansa or the regular assembly fails or is unable to act adequately on any matter for any reason that requires immediate action, the President may issue decrees which will form part of the law of the land in order to meet the exigency.

Former Con-Con delegate Antonio D. Olmedo, LP acting president for Southern Mindanao, said Amendment No 6 allows the President to continue sharing legislative powers with the regular Batasan, like the present interim assembly.

Olmedo said this provision is a reservoir of vast powers for the President to legislate, not merely to legislate in times of emergency.

He said the deletion of this amendment will give the regular Batasan independence and credibility so that it could assert its legislative supremacy and function as a true voice and conscience of the people.

Meanwhile, Manila LP leaders criticized former Ambassador Amelito R. Mutuc, an LP stalwart, for opposing the decision of LP president and former Sen. Jovito R. Salonga to boycott the coming plebiscite and Batasan elections.

Former Con-Con delegate and LP spokesman Reynaldo Fajardo stated that if Mutuc is an LP member of good standing, Mutuc should abide by the party's decision.

Fajardo said the LP has taken the official position of not participating in any political exercise under the present regime since the declaration of martial law.

He recalled that the LP did not take part in the elections of 1978, 1980 and 1981, as well as the referendums and plebiscites.

"Why should Mutuc be surprised at all with the stand of the LP president?" Fajardo asked.

The LP leaders appealed to Mutuc to refrain from utilizing alleged conversations with the late Senator Benigno S. Aquino, Jr to support his position against the LP stand.

Meanwhile, Mel Lopez, Manila opposition leader, asked Comelec Chairman Vicente M. Santiago, Jr. to name 38 out of about 3,800 voting centers in Manila where there are no flying voters. He said he will prove the Comelec chief wrong.

The Nationalist Alliance for Justice, Freedom and Democracy decided yesterday to boycott the election of members of the regular Batasang Pambansa in May, 1984, which it said would only give legitimacy to the "rubber stamp" legislature and the Marcos administration.

The alliance's national executive committee headed by former Sen Lorenzo M. Tanada called for "a militant yet peaceful, vigorous yet non-violent" nationwide boycott of the polls.

Abraham F. Sarmiento, secretary-general of the group, announced the decision to launch the boycott. He is formerly a vice-president of the 1971 Constitutional Convention.

The alliance is the second opposition group to call for a boycott of the coming election. Earlier former Sen Jovito Salonga, Liberal Party president, asked LP leaders and members not to take part in the elections.

The alliance gave the following reasons for calling a boycott of the election:

1. Participation in the election, either as candidate or voter, will only legitimize the illegal existence of the Marcos administration.
2. The Batasan election is an attempt to deceive the people into thinking that democratic processes have been returned.
3. Participation in the election will legitimize the 1973 Constitution which was not duly approved by the Constitutional Convention and not validly ratified by the people.
4. The Batasan election is also an attempt to fool the public into believing that a clean and honest election is possible under the present administration.
5. Millions of pesos will be spent in the election and more to be poured into the Batasan. The legislature is a useless department since it is unable to enact significant legislation in view of Amendment No 6 of the Constitution under which President Marcos has retained his unlimited power to issue decrees, letters of instructions, letters of implementation and

other issuances, all having the effect of laws. The President can also dissolve the Batasan at any time.

6. The election is a move to divide the opposition.

7. If the opposition will join, it will only be used to give credibility to the fraudulent victory of the Marcos camp as the experiences of past elections, plebiscites, and referenda have shown.

8. Teachers will be exploited and used again as in the past by the Marcos camp.

CSO: 4200/321

MISUARI DISCUSSES MORO ISSUES

Islamabad THE MUSLIM in English 13 Dec 83 pp 1, 8

[Article by Nusrat Javeed]

[Text] Islamabad, Dec 12--Nur Misuari, Chairman Central Committee of the Moro National Liberation Front has regretted that majority of the Muslim world considered Moroland as an integral part of the Philippines and that the struggle waged by its people was supposed to be the struggle of a minority to safeguard its rights. The Moro struggle in fact, he said, was a war of national independence.

Mr Misuari was talking to The Muslim after his arrival from Dhaka to take part in the moot 'Islam Today.'

He said for more than 300 years Moro Muslims have consistently struggled against Spanish, Dutch, Japanese and American imperialism. "This is being acknowledged in the whole of South East Asia," he claimed, "that Moro are the only people in the region who had never been conquered by others."

Talking about the latest developments, he said, "Most of the Moro area is being liberated from the enemy and we are now consolidating our position in the liberated zones." He said the important cities in the Moroland were being encircled by the MNLF. But we are refraining from launching a big offensive for the security of the innocent citizens who were being used as a shield by the Philippine's army.

He expressed his optimism regarding the future developments and said President Marcos was facing the greatest political crisis of his rule. He said the opposition in Philippines was bound to take the power into its hands in the near future and this would solve the problem.

He claimed that every major opposition party, be it of the rightist or leftist tendencies, has clearly stated in its programme that after coming into power, the Moro Muslims will be given the right of self-determination.

He expressed his dissatisfaction over the help provided by the Muslim governments to his Front and claimed most of them even did not understand and appreciate their struggle. He said the Western media had successfully projected them as Communist guerillas who were just pretending to be Muslim militants. He said the irony of the situation was that most of the average Muslims accept this propaganda and start suspecting the anti-imperialist Muslims as Communists.

Later, Mr Misuari addressed the International Islamic Conference and elaborated the history and development of the Moro struggle. He assured the participants of the conference that Moroland will soon be liberated and that after the liberation his Front will adopt the Islamic constitution drafted by the conference as the national constitution of the Islamic Moroland.

CSO: 4200/323

PHILIPPINES

CHRISTIAN DEMOCRATIC PARTY LAUNCHED 11 DEC

Manila BULLETIN TODAY in English 15 Dec 83 p 10

[Text] A new national political party called "Christian Democratic Party" (CDP) was launched last Sunday at the St Scholastica College in Manila.

The CDP officers said that the launching of the organization is a "fitting culmination and expression of no less than 13 years of long-term evolution." The party was registered with the Commission on Election (Comelec) last March.

"We stand for new politics, new politicians, and a new political organization," the CDP officers said.

The new political party said it has the support of the "new generation and a new breed that will be the true and authentic anti-thesis."

Leaders of the CDP include former Mayor Rodolfo Buenavista, Baclaran, Transport Cooperative founder Glicerio Gervero, Federation of Free Workers vice president Ma. Vicenta de Guzman, Lirio Esguerra, barangay captain Dr Madrid Young, Christian Socialist founder Emmanuel Cruz and lawyer Carlos Serapio.

CSO: 4200/315

PHILIPPINES

REPORTAGE ON VOTER REGISTRATION, POLLING PROBLEMS

Daily on Registration Problems

Manila BULLETIN TODAY in English 17 Dec 83 p 6

[Editorial: "Registration Problems"]

[Text] Comelec Chairman Vicente Santiago, Jr said in effect that it is not only a question of money. Even if there were adequate funds for completely revising the lists of voters, the task will be attended by certain problems.

He said teachers will have to work round-the-clock in the first half of January and this may entail the suspension of classes. He said Comelec will have to increase its personnel two or three times to accomplish the job.

He mentioned problems of registering voters in the far-flung areas. He expressed the view that the time left for the registration campaign was rather short.

The chairman's views are in the nature of expert opinion and are, therefore, entitled to great weight. It does not mean that the difficulties mentioned are insurmountable, but if there are other experts who think they are not, they must come out with the suggestions as soon as possible if the lists are to be revised starting Jan 3 and 4 as the President indicated.

Faced with the problems mentioned by the chairman, we are inclined to think that if we cannot be sure that changing the lists will be successful under the given constraints, we might as well give up the idea because should we insist P100 million might go down the drain. That is a lot of money.

Short of a general revision, the Comelec may, on the representation of the parties, order revision in particular areas. Petitions can also be filed any time with the Comelec or the courts for the inclusion or exclusion of voters from the lists.

Private Sector Aid Welcomed

Manila PHILIPPINES DAILY EXPRESS in English 17 Dec 83 p 4

[Editorial: "Going Down to Details"]

[Text] Acceptance by President Marcos of the private sector's proposal for a new registration of voters displays willingness to listen to any point of view which could contribute to the cause of national reconciliation and political stability.

In agreeing to the proposal, the President also took up the offer of business leaders to raise P100 million to fund the new registration. The businessmen had made the offer to substantiate their claims of concern over what they say is a padded and faulty voters list.

What needs to be hammered out are the mechanics of the plan. Already the KBL has agreed to set up a three-man committee to discuss with the businessmen the details of the offer.

The businessmen, through Victor Barrios, are now expounding on their offer. They speak of four premises. One, there must be a credible mechanism to oversee and countercheck the whole operation in support of the Comelec. Two, accountability for the resources used in the effort. Three, the amount offered refers to all elements of resources--men, money and materials--and not to cold cash. And four, the offer is for the May polls and not for the January plebiscite.

The differences in views at the outset, however, should not dampen the mutual cooperation forged by the President's acceptance of the offer. Apparently both the government and the private sector have the same goal in mind--that of making sure that the electoral process is guarded against abuse, fraud, and irregularities. There is time to reach an agreement on the finer points of the private sector's offer. Dispassionate and sincere discussions should start the ball rolling in this direction.

Teachers Fear Poll Duties

Manila BULLETIN TODAY in English 17 Dec 83 p 9

[Article by Tony Pe. Rimando]

[Text] Many public elementary school teachers in several parts of the country have reportedly expressed their desire not to serve as poll clerks and chairmen of citizen election boards in the May 1984 Batasang Pambansa elections due to fears and apprehensions that they might be harmed or harassed by dissidents in their areas.

This was gathered from several top field school officials during the third annual convention of schools superintendents in Quezon City recently. Most of the educators came from provinces in Luzon, Mindanao, and the Visayas

which are rocked by violence attributed to members of the New People's Army and Moro National Liberation Front (MNLF).

The superintendents, who asked not to be identified, said not a few of their classroom teachers had personally pleaded to them through their principals and district supervisors not to be assigned for poll duty in far-flung communities in the coming election.

The school officials noted that if they granted the pleas of their teachers there would practically be nobody left to perform the election work in many areas.

The educators reported that they have requested the provincial commanders and military officers in their provinces to provide teachers with necessary military security, especially on the eve of the election.

Some superintendents said they had asked approval from the Commission on Elections for the transfer of election precincts in rebel-infested communities to the town proper. (Tony Pe. Rimando)

CSO: 4200/321

REJECTION OF SALONCA'S ELECTION BOYCOTT PROPOSAL REPORTED

Liberal Party Rejection

Manila BULLETIN TODAY in English 18 Dec 83 pp 1, 10

[Text] The proposal of former Sen Jovito Salonga, Liberal Party (LP) president, to boycott the coming plebiscite on constitutional amendments and the election of members of the Batasang Pambansa drew reactions yesterday from several quarters.

Former Ambassador Amelito R. Mutuc, an LP stalwart, opposed the Salonga proposal which, he said, would "surely mean the death of the LP."

Mutuc said it was "the obsession of the late Sen Benigno S. Aquino, Jr before his tragic death to revive, unify and strengthen the LP as a formidable and militant force to check the abuses and misdeeds of the Marcos administration."

Mutuc said he had talked with Aquino in the US several times.

"Now is the time, better than any in the history of martial rule in the country, to revive the LP, especially now that Aquino, its rallying figure, is dead," Mutuc said.

To boycott the coming elections, Mutuc said, would run counter to Aquino's "fervent desire."

All LP members, he said, should unite and elect their leaders to fiscalize the Marcos administration.

Assemblyman and Minister of State for Information Jose T. Tumbokon said the Salonga announcement confirmed observations that the opposition is "pathetically fragmented and suffering from incurable amnesia."

In questioning the legitimacy of the present government, Tumbokon charged the LP has only succeeded in exposing itself as "a modern-day Rip Van Winkle who pretended to be asleep since 1973 when a series of political exercises upheld the constitutionality of the New Republic."

By its posture the LP would also be accusing other opposition elements now holding elective positions having participated in the alleged "travesty of the electoral processes," the assemblyman said.

The LP was reminded that the proposed constitutional amendments to be submitted to the plebiscite were in response to the people's clamor for political reforms.

To ignore the people's clamor, as the LP has decided to do, is also to frustrate the people's political will, Tumbokon said.

Columnist: Salonga Out of Touch

Manila BULLETIN TODAY in English 19 Dec 83 p 6

[Article by Jesus Bigornia: "Boycott Bid Shows Salonga Is Out of Touch"]

[Text] If "leaders in exile" of the Liberal Party (LP) persist in boycotting next year's polls, they may find themselves spurned by heretofore tractable followers. Signs of rebellion against unilateral decisions made abroad without consultation with the rank and file are cropping up in the most unexpected places. They indicate the need for the LP president, former Sen Jovito Salonga, to come home and feel the pulse of the rank and file. Obviously, there is reason to believe a widely-held claim that the party chief is ill-advised on the Philippine political situation.

As a regularly organized political party, the Liberal Party is entitled to poll officials with powers to police the voting, to official copies of election results at all levels. It should likewise rate at least two nominees in the Commission on Elections as the acknowledged opposition party before imposition of martial rule. It would be ridiculous for him to expect the whole of free elections be offered to him on a silver platter. He should come here and battle for each small blessing from the ruling Kilusang Bagong Lipunan (KBL). This is the only honorable way a leader may comport himself if he is to keep the respect and loyalty of his followers.

Nowhere is defiance to dictates from abroad more evident than in Metro Manila. Recall, if small, LP leaders in Manila show their disenchantment with and contempt for the LP president's boycott stance by joining other opposition groups in putting up a slate for the Batasan election this coming May. Should they succeed in breaking the grasp of the KBL on Manila's electorate, theirs is the credit, but no kudos to absent leaders. Which makes political prognosticators wonder who will be singing, "Who's Sorry Now?" after May 4.

AM: 4200/322

ASSEMBLYMAN'S EXCLUSION FROM XBL STRAW VOTE PROTESTED

Manila BULLETIN TODAY in English 19 Dec 83 p 14

[Article by Jun Velasco]

[Text]

Consensus voting as a means of gauging the popularity of reelectionist and aspiring members of the Batasan should include segments other than the mayors if a broader or more representative populace is to be represented.

This was the reaction of Assemblyman Roque de Guzman (KBL Pangasinan) to reports that he was eased out of the six slots allotted for Pangasinan in a straw vote made by Pangasinan mayors in Baguio recently. It was reported that no less than the President presided the straw vote.

Those who made it to the magic six, according to The Courier, a leading Pangasinan newspaper,

were Conrado Estrella, Board Member Ager Rosario, Minister Greg Cendana, Assemblymen Toting Villar, Jerry Montemayor and Vic Millora.

The Courier also reported that Engr. Vic Agbayani — son of Gov. Aguedo Agbayani — made it to the magic six.

To the charge that he seldom stood on the Batasan floor, de Guzman said that "it should not be unusual for members of the BP to avoid grandstand play because the new legislative body is trying to avoid the pitfalls of the defunct discredited Congress where most con-

gressmen were star debaters."

"Members of the parliament are chosen not on the basis of their debating skills," he said, "but for their commitment and support to the party."

He said that as a party man, he has never wavered in loyalty and dedication. He proposed that the barangays should be consulted because they "are our grassroots leaders."

He added that since they were chosen in the interim assembly, they may as well be chosen in the regular assembly.

De Guzman was national president of the Federation of Barangay Councils when he ran for the Batasan.

CSO: 4200/321

ARTICLE VIEW: DECLINE IN REGIONAL COMMUNIST INSURGENCIES

Manila PHILIPPINES DAILY EXPRESS in English 18 Dec 83 p 5

("New Analysis" by Myrna Castro de la Torre: "Decline in Red Threat Against ASEAN Nations")

[Text]

KUALA LUMPUR - Governments in Southeast Asia have scored major successes in recent years in their fight against the communist threat from local rebels.

The threat, which brought many of the guerrillas to the urban centers 30 years ago as in the Philippines, has been reduced to plain skirmishes with government troops.

Thailand itself, which has a history of long armed struggle against the outlawed communist party, said it has ended the threat although military action was still necessary in some remote areas.

The threat of armed revolution no longer exists although military action against the Communist Party of Thailand is still necessary in the remote countryside, Prime Minister Prem Tinsulanonda told the Foreign Correspondents Club of Thailand earlier this month.

BUT IN nearby Malaysia, Army Chief General Tan Sri Zain Hashim has promised that his forces will fight the country's communist guerrillas until each one has been accounted for.

Leaving even one communist unaccounted for is dangerous, he said as he described communism as a cancer which has to be obliterated.

In his view, the communist threat remains despite the reported surrender of 500 members of the Communist Party of Malaya (CPM) in Southern Thailand last month.

Gen. Zain said it made little difference whether outlawed CPM Secretary General Peng was still alive and operating along the Thai-Malaysian border.

THE MALAYSIAN government later said it has found to be false a report that Chin Peng had reappeared in the country.

Deputy Home Minister Mohamed Kassim Ahmad said all indicators point to Chin Peng's remaining in a "far away country" that he fled to during the 1948-1960 emergency.

The statement from Zain was followed by reports from Kedah that communist guerrillas from the Marxist-Leninist and the revolutionary groups, who were previously divided, have joined forces to carry out aggression and create

upheaval in Malaysia

But the government is aware of these developments.

IN THE Philippines. Defense Minister Juan Ponce Enrile has warned members of the underground New People's Army that they must surrender peacefully or "we will use every means to immobilize or neutralize them."

"Enough is enough," the defense chief told reporters during a recent dialogue.

Every now and then reports of surrenders by hardcore guerillas and their sympathizers filter into the capital, alongside reports of small ambushes or clashes with government troops in some far-flung village.

THE PHILIPPINE government, which has been facing the communist threat since after the war in the 1940s, has announced a two-pronged policy in dealing with insurgents.

According to Enrile, the government will use force against force in dealing with "terrorists" of any ideological persuasion, especially those who are engaged in activities inimical to everyday livelihood of the civilian population.

The second policy is that "all proven members of the NPA and their willing and active supporters in the field should now consider themselves fair targets of our government forces."

"The government will no longer fight with both hands," Enrile said.

THE DECLINE in the threat is seen by analysts as the result of China's New Policy towards the Southeast Asian countries which is to strengthen ties with them following Peking's conflict with Soviet-backed Vietnam.

Of the non-communist countries of the Association of Southeast Asian Nations (ASEAN), only Indonesia—which crushed a communist coup in 1967—does not have diplomatic ties with China, once regarded as the major provider of aid to outlawed communist parties in Southeast Asia.

This month, Chinese Foreign Ministry spokesman Qi Huaiyan said China would continue to have relations with communist parties of other countries, but stressed it would not interfere in the internal affairs of other nations." (OANA-PNA)

CSO: 4200/322

FURTHER DETAILS ON 15 DEC AGRAVA BOARD HEARING

Manila BULLETIN TODAY in English 16 Dec 83 pp 1, 9

[Article by Rev G. Panaligan: "Black Car Seen at MIA?"]

[Text]

Was there a black limousine that parked near the China Air Lines (CAL) plane berthed at the Manila International Airport's Gate No. 8 moments before former Sen. Benigno S. Aquino Jr. was assassinated last Aug 21?

If there was such a black limousine parked near the CAL plane that brought Aquino from Taipeh, who were its passengers and what did they do?

Why did the black limousine pass very near the right side of the CAL plane on its way out of Gate No. 8?

These questions surfaced yesterday in the course of the testimony of Lt. Ivar Padao before the fact-finding board investigating the Aquino assassination.

It was board member Ernesto Herrera who asked Padao whether the lieutenant noticed a black limousine parked near the CAL plane moments before the assassination.

Before asking the question, Herrera cautioned Padao to answer it carefully and truthfully be-

cause the airport maintenance men near Gate No. 8 who were members of his (Herrera's) Trade Unions Congress of the Philippines reportedly told him about the presence of the limousine at the tarmac.

But Padao, who was the leader of two teams deployed at the rear of the CAL plane answered "no" to the question. In effect, Padao told the board he did not notice any limousine that parked near the CAL plane.

Interviewed after the public hearing which lasted until early evening yesterday, Herrera told reporters: "Better attend all our public hearings because the questions on the black limousine will be answered there."

Other developments
1 Agapito "Butz" Aquino, younger brother of the slain senator reportedly accepted the board's invitation. However, this was not confirmed by the board. The younger Aquino was reported as saying that he will consult with his lawyer if he will testify or not.

2 Col. Rolando Abadilla, head of the Metrocom Intelligence and Security

Group, has been scheduled by the board to testify today. It was Abadilla who allegedly removed the name plate of alleged assassin Rolando Galman while the alleged gunman was sprawled on the tarmac.

During earlier hearings, it was alleged that Galman entered the airport using the name of a certain Dominador Aguayo, reportedly a member of the Presidential Security Command.

Aside from Abadilla, also scheduled to testify today was Florante Magdamo, airport flight controller whom two employees of the Bureau of Air Transportation claimed was the person who instructed them to radio the CAL pilots to keep the passengers inside the plane until properly checked.

Board hearing secretary and deputy general counsel Alvinio Arriero, said Defense Minister Juan Ponce Enrile had signified his intention to testify before the board.

In his testimony, Padao said his men deployed around the rear section of the CAL plane. He said his teams' mission was to see to it that no unauthorized person entered the secured premises.

Capt. Romeo Bautista, head of the intelligence directorate of the Aviation Security Command, also testified yesterday.

In the course of his testimony, Board Member Dante Santos became visibly irked in what Santos claimed as Bautista's inconsistencies.

While Bautista said in the early part of his testimony that the areas of responsibility of his 20-man intelligence team were the east and west satellite of the airport and the customs, immigration, and quarantine, he later told the board that he instructed two armed men of his team to check the people milling at the tarmac of Gate No. 7.

"You said earlier that your areas of responsibility are the second and

third floors of the airport complex, you mean you are now telling the board that you intervene in the security aspect of the tarmac?" Santos asked.

Bautista said that while his team's responsibility was the intelligence aspect of the security plan, he said his team can from time to time check security measures in the other aspects depending on circumstances.

In the early part of his testimony, Bautista said that all his 20 men were wearing polo barong with only two armed members.

But in the latter part of his testimony, he admitted that one of his men was wearing khaki uniform last Aug. 21 when he was confronted by the board with a picture showing a man in khaki uniform.

"Sorry, po. Nakalimutan ko po na ang driver ko'y naka-khaki," Bautista said. (Sorry, Sir. I forgot that my driver was wearing a khaki uniform.)

CSO: 4200/315

AGRAVA CITES LOOPHOLES IN AFP VERSION OF SLAYING

Manila PHILIPPINES DAILY EXPRESS In English 18 Dec 83 pp 1, 6

[Text]

THE AGRAVA fact-finding board, assessing the testimonies so far received by it from military witnesses, says many points in the military's version of the Aug 21 assassination of former Sen Benigno S Aquino Jr need further clarification, board chairman Corazon Agrava said yesterday.

"We believe that there are many loose ends in the military's account of the Aquino assassination," Agrava said in a press conference after the board's Friday hearing at the Social Security System.

First, Agrava said, it has not been sufficiently explained how Aquino's alleged assassin, Rolando Galman, was able to penetrate the tight airport security laid out for the opposition leader by the Aviation Security Command.

SECOND, it is not clear why four soldiers who were guarding the foot of the stairs of the Gate 8 of the Manila International Airport, where Aquino descended after disembarking from the plane that brought him in last Aug 21, had to be moved away, another board official pointed out.

Third, it is not sufficiently explained yet why the rear doors of a military van that was waiting for Aquino at the tarmac remained closed even when Aquino was not yet in at the time, Agrava added. She said the closed doors appeared contrary to the Filipino value of receiving guests with open arms.

AGRAVA ALSO said that the board has not yet received any reply on requests made with the Japanese government on the possibility of a Japanese journalist, Kiyoshi Wakamiya, testifying before the board on his claim that soldiers shot Aquino.

"We have not received any formal answer from Wakamiya yet," Agrava said. She said that the board is not aware of any proposals or conditions imposed by Wakamiya for his appearance.

Wakamiya was one of a dozen reporters who accompanied Aquino on the China Airlines plane.

Agrava said that the board has started noticing a "shape" in their investigations. She refused, however, to elaborate. She said that the board still needs greater public support and co-operation if it is to succeed.

POLITICAL ACTIVITIES, AFP WITNESS TESTIMONY

February Wrap-up

MANILA, 22 Dec 83 (Xinhua) - Manila City RPN Television Network in English 1100 GMT 22 Dec 83

[Text] The Agrava fact-finding board will soon have for its witness armed forces chief general Fabian Ver. The board will subpoena Ver to testify at its next hearing, which is expected to resume next week. The board also plans to wrap up its investigation by February, after which it will evaluate all documents and testimonies. The Agrava board had another hearing today, and General Ver was there.

[Continuing recording over video of proceedings] The whole day today, the Agrava board held its last public hearing before breaking up for the Christmas holidays. Today's witness was First Sergeant Pablo Martinez of the 805th Squadron of the Aviation Security Command, who testified that he saw the alleged assailant, Rolando Galman, shoot the former senator. However, he told the board, he did not see where Galman came from before firing a shot at the former senator. He said he was looking somewhere else after Aquino and his military escorts descended the stairs, and the next scene that he saw was the actual shooting. He urged one board member, Attorney Luciano Salazar, to comment that soldiers involved in securing Aquino at the tarmac area apparently were turning their backs or looking somewhere else at the precise moment of the shooting. Salazar said their actions looked synchronized. To this, Sergeant Martinez said: Perhaps it was mere coincidence.

It was also found out by the board that moments after the shooting of Aquino, members of the Delta Team, tasked to secure the nose of the plane, disappeared. Martinez told the board he, himself, was unsure whether these soldiers held their ground during and after the shooting.

[Text] Hearing resumes [as heard] on December 27, and the four military escorts of the former senator are expected to testify. AFP [Armed Forces of the Philippines] Chief of Staff, General Fabian C. Ver, is also expected to be subpoenaed to testify on the security arrangements for Aquino's arrival, after the New Year holidays. [end recording]

Further Martinez Testimony

082214Z Dec 89 (U) in English 1302 GMT 22 Dec 89

[Text] Manila, 22 Dec (AFP)--The five-man special inquiry board investigating the assassination of Philippine opposition leader Benigno Aquino is expected to hear the testimony of the military chief of staff next week, board members said today.

Philippine Armed Forces Chief of Staff General Fabian Ver was reported to have been invited as head of the National Intelligence and Security Authority (NISA) which, according to Defense Minister Juan Ponce Enrile yesterday, was in charge of monitoring the movements of Mr Aquino.

Board General Counsel Andres Narvasa revealed yesterday that messages sent by Philippine diplomats indicated that Mr Aquino's movements before his return were accurately known in Manila.

Today, another military witness confirmed that four ramp guards posted at the foot of the emergency stairways taken by assassinated Philippine opposition leader Benigno Aquino were ordered to leave and move around once other soldiers were deployed around Mr Aquino's plane.

Aviation Security Command Sergeant Pablo Martinez said: "I don't remember if I really told them to move away. I gave them a certain sign. I think I used the word move, move out. I thought I was the only one who heard it. Maybe they heard me because they moved back."

"It was just a reminder on my part because I thought they might have forgotten a previous arrangement that they move about once the various teams are deployed around the plane," he added.

He said that he was posted about six meters (yards) away from the foot of the stairs and saw Mr Aquino descending with his military escorts up to the middle part of the stairs. He noted that he then turned away and when he looked back he saw a blue-shirted man firing a gun at the back of the ex-senator's left ear.

"I didn't notice afterwards if the gunman was still holding the gun after Sgt De Mesa parried the gunman's hand," Sgt Martinez said referring to Sgt Arnulfo de Mesa who allegedly turned and swept upwards the alleged assassin's hand.

Mr Aquino was shot once at the back of the head allegedly by communist hitman Rolando Galanin on the tarmac of Manila Airport after his return from three years of self-imposed exile in the United States. The alleged killer was said to have been shot and killed in turn by the guards.

Public Lawyer Earl Gonzalez told the board he received a letter without signature saying that maintenance men under the plane were ordered to "hit the deck" by the soldiers just before Mr Aquino was shot. The counsel for the military then asked the board to ensure that witnesses be required to come out and testify and not just write letters.

in particular, witness Major Juan Ponce said he during his testimony stated there would be no intent of military retaliation against any witness.

According to Mr. Hartinez, Capt. De Mesa took cover near (100) the plane tug and gave Mr. Calman's gun, saying "Sarge, here is the gun used by the gunman." The gun was surrendered the gun to their commanding officer, at that time the Colonel General, Arthur Montedio, but was never asked how he was able to get the gun.

Montedio, Airport General Luis Tabuena in his testimony said he was not in charge of the airport on August 21 but went inside Mr Aquino's plane as a private citizen. He said he heard a shot and dropped to the floor of the plane and did not see anyone. Previously, he had told two journalists he did not hear any shots.

He also stated that the Presidential Security Command (PSC) identification tag allegedly used by Calman was not reported to him directly as having been lost, except it was a temporary tag for a PSC agent Dominador Aguayo testing his identification. The owner of the identification tag allegedly used by Calman, PSC agent Aguayo, told the board he made a sworn statement on August 15 saying he had lost it at a station in January.

He added that he did not know Colonel Rolando Abadilla, the chief of the Metropolitan Command's elite Metropolitan Command, but was contradicted by the captain's chief's lawyer, Lupino Lazaro. The latter pointed out that in a report by Captain Lieutenant Major General Prospero Oliyas, Col Abadilla had said he personally knew Agent Aguayo.

Opposition Views Opposition, KBL Prospects in Election

MANILA, Manila TIMES JOURNAL in English 3 Jan 85 p 4

[Editorial: "Our Elections Must Win in 1984"]

[Text] The first salvos of the 1984 election for 183 seats in the regular National Assembly have been fired.

President Marcos said the fragmented opposition would be lucky to win 20 to 30 seats in the legislative body unless it organizes and unites.

The opposition countered by announcing that it had agreed to unite and present only one ticket in all 10 districts of Metro Manila.

Signatories to the unity agreement were chapter chairmen of the Lakas ng Bayan (Lakas), the United Nationalist Democratic Organization (UNIDO), the Nationalist People's Party (NPP) and the Liberal Party (LP). They were represented by Senator Jose V. Villar (Laban), former Manila Councilor Mel Lopez (UNIDO), former Manila Rep. Aquilino C. Roces (NPP) and former Manila Vice Mayor Gregorio Honasan (LP).

The President, titular head of the Kilusang Bagong Lipunan (KBL) and majority party, brushed off a reported claim that Manila would be "a hard nut to crack" in the coming election. He said Manila voters have always been unpredictable and at times unreliable in nature, but he felt that it was in Metro Manila that the opposition should at least give the KBL a fight.

Obviously, the KBL, the President said, was expected to win hands down.

The President has good reason to be optimistic. In the first place, the KBL is in power and therefore has logistics and well-placed men in the local and national sectors of government. This gives the majority party a distinct advantage even in a clean and orderly election. In the second place, the KBL has much to show as far as performance is concerned. A long list of public works projects can be seen, rice and corn production is as good as ever and development continues.

But the minority has the advantage of being the critic, and it has much to criticize despite the achievements of the administration. The KBL will find it difficult to explain the economic breakdown of the country late last year; it will have to clarify issues involving its inability to allocate badly needed dollars for the importation of raw materials to keep the wheels of industry rolling; and it will have to explain two devaluations of the peso to the dollar and the rise in prices.

The administration will also have to swallow the bitter pill of the Aquino assassination. Although according to the KBL the assassination is not of the administration's making, it is still answerable for it because it is in power.

The minority will be on the offense on matters which affect good government administration. They will talk about graft and corruption in high circles of the government, of favoritism in trade deals, of discrimination in many fields of endeavor and of the miscarriage of justice to favor the influential, the powerful and the wealthy against the lowly and the downtrodden.

What is important, however, is that both the majority and minority parties pledge to observe the sanctity of the ballot. Obviously, the minority will not be alone in working for a clean and orderly election on May 14. It will have the support of the National Movement for Free Election (Namfrel) and teachers who have volunteered to keep a sharp eye on the election outcome.

President Marcos has pledged a clean and orderly election on May 14 and Comelec Chairman Vicente M. Santiago has taken steps to make sure that preparations are fully carried out toward this end.

It is hoped that party machines keep within the limits of party politics in the coming elections. Election fraud, flying voters and terrorism cannot be permitted to take precedence over the primary hope of the nation--that of setting a precedent in clean and orderly elections.

In 1978, it does not matter who wins, so long as the polling is clean and orderly.

PHILIPPINES

BULLETIN TODAY WRITER AGREES ON 'COLLUSION, PREMEDITATION' IN AQUINO SLAYING
Manila BULLETIN TODAY in English 16 Dec 83 p 36

[Commentary by Ramon Tulfo in the "Police News Roundup" column]

(Text) An avid follower of the Agrava fact-finding board has sent us this note:

"With all the precision of negligences on the part of witnesses being interviewed by the Agrava Commission, coupled with the circumstances, it becomes evident that there was collusion and premeditation somewhere.

"Need I say more?"

We tend to agree.

A exhibitor was overheard to say during one of the "dry" days at the Agrava Board's hearings: "Fifty-million katao alam kung sinong pumatay kay Aquino. Kayong lima (referring to the five-member fact-finding board) hanggang ngayon sinisiyasat pa ninyo. (50 million people know who had Aquino killed. But the five of you up to this time still want to know who did it.)"

CSO: 4200/316

URBAN LAND REFORM PASSES

Manila BULLETIN TODAY in English 16 Dec 83 pp 1, 8

[text] ... Batasang Pambansa finally approved on second reading yesterday a resolution making it mandatory for the government to undertake an urban land reform and social housing program.

Although President Marcos had issued several decrees providing for adequate housing facilities to deserving landless and homeless city residents, the criterion will now be expressed clearly as a constitutional policy.

A portion of the vast tract of government land surrounding the Batasan may be given to deserving landless occupants of many years as a result of the resolution's approval.

Proponents of the resolution said the squatters occupying these areas are in most cases in good faith, unlike those who illegally took possession of the land along the Mariano Marcos ave who were ejected and relocated.

In other areas squatters in good faith will not be disturbed unnecessarily until a solution could be found to their problem and unless they can be properly relocated.

The resolution was authored principally by Assemblymen Herimias Montemayor (N.M., Bicol Region), Luis Taruc (KBL, Central Luzon), Estanislao Alines, Jr. (CBL, Metro Manila), and Rogelio Quiambao (KBL, Metro Manila), and a bipartisan group of 47 other assemblymen. The resolution was originally introduced by Justice Minister Ricardo Puno.

The resolution would amend the Constitution by adding a last paragraph to the 12 of Article XIV. It took the Batasan several days of debate and interpellation before the measure was finally passed.

AFP LAND LOST TO SQUATTERS 'JEOPARDIZES' OPERATIONS

Manila BULLETIN TODAY in English 16 Dec 83 p 36

[Art 1] by Jose De Vera]

[Text]

Brig Gen Benjamin M. Divinagracia, commanding general of the 3rd Infantry (Army) Division based in Cebu City, has asked for a resurvey of its "diminishing" military reservation in Lahug.

The move followed a discovery that more than 21 hectares of the reservation area of 191.69 hectares have been lost to squatters who succeeded in having them titled in their names. A lot is occupied by a five-star tourist hotel.

The resurvey was requested in a letter dated Nov. 16 by Divinagracia to Maj Gen Josephus Q. Ramas, Army commanding general.

Documents showed that the military re-

servation was acquired under Banilad Friar Estates from the Cebu provincial government and through expropriation.

A total of 54.46 hectares of the area was temporarily occupied by the Civil Aeronautics Administration when the Lahug airport was still in operation. The CAA would move out if and when the Mactan Airport is opened and operational.

Another 22 hectares are also temporarily occupied by the Bureau of Forestry.

Divinagracia said that due to some administrative oversight, especially on funding requirements, previous landowners who allegedly continued to pay land taxes caused

the transfer of some titles to buyers without coordinating with proper military authorities.

As a consequence, he explained, the reservation appears technically reduced to areas with existing military facilities and installations. Thus, he said, military security training activities and expansional projects are jeopardized.

Sources in Lahug said a big portion of the "missing" reservation is being occupied by a hotel and smaller lots had been "titled" to influential squatters.

Aside from occupying part of the reservation, the sources said that the hotel is also drawing its water needs from the military's water system.

FOREIGN TOURIST ENTRY LIBERALIZED

Manila BULLETIN TODAY in English 15 Dec 83 p 36

[Article by Rod Villa, Jr]

[Text]

Commissioner Edmundo Reyes of immigration and deportation has decided to grant multiple entry permits to foreign tourists as a new boost to the tourism industry now booming in areas outside of Metro Manila.

He rushed additional teams to reinforce those posted at the United States naval base in Subic, Olongapo City, and at Clark Air Base in Angeles City owing to the heavy influx of arrivals there.

"Foreign tourists may now come to the country as often as they want to without necessarily renewing their visas," Reyes said.

He reported tourist turnout was particularly heavy in Subic which has been booming with thousands of workers on furlough

mostly from Diego Garcia, the U-shaped atoll in the Indian Ocean where the US is building its second biggest base, after Subic, outside of the American continent.

Reyes said American servicemen and other nationalities were spending an average of \$1,500 during their stay at Subic and Clark.

The commissioner said Subic was enjoying a cyclical bonanza from the regular arrival of US ships, and specially aircraft carriers each of which unloads up to 6,000 personnel to lavish Olongapo with up to \$10.5 million in shopping sprees and splurges for other services.

Earlier, Reyes rushed additional teams to cope with the heavy foreign turnout

of arrivals diverting from trouble-wracked Metro Manila to enjoy, he said, "the sun, sea and sex" in Cebu City, and elsewhere in the Visayas and Mindanao.

Until he liberalized requirements for entry, tourists were allowed up to 21 days of stay without visa, and up to 59 days with a visa.

With the multiple entry visa, tourists may now stay up to 59 days and then return as often as they want to for two years. Under special arrangements, they may enjoy their stay under these conditions for up to four years.

He urged government agencies and the private sector to cash in on the bonanza in the countryside.

BRIEFS

COCONUT PRODUCT EXPORTS UP--Philippine coconut products exports for October rose in volume (in copra terms) by 6.36 percent to 159,865 tons compared to October 1982 but dropped by a 6.01 percent to 1,453,796 tons for the first 10 months compared to the similar 1982 period, a preliminary report showed. The report of the Philippine Coconut Authority (PCA) also showed that in value coconut earnings rose a staggering 78.4 percent more in October this year than last year for a total of 82.01 million dollars. But on a January to October basis, the advance was only 0.78 percent for a total of 528.48 million dollars. Principal export product remained coconut oil with earnings of 61.4 million dollars for October of 108.24 percent more than last year while first 10 months earnings were up 10 percent to 387.03 million dollars. Exports of copra remained suspended. (AFP) [Text] [Manila BULLETIN TODAY in English 15 Dec 83 p 26]

SAMAR NATIONAL ASSEMBLY BETS--Aspirants for the lone assembly seat in Eastern Samar have surfaced. Names mentioned in the KBL camp are Assemblyman Victor Amisa, superintendent of schools Fidel Anacta, Vice-Governor Vicente Valley, Cocofood manager Celestino Sabate and Judge Maximo Japson. Known oppositionists are Camelo Libanan and Jose Tan Ramirez, the latter a defeated candidate for congressman in the pre-martial law days. Jaime Farrales, another oppositionist who has gained prominence in his law practice in Metro Manila and abroad and a new face in the political arena, is being groomed by national opposition leaders to head a coalition in the area. [Text] [Manila BULLETIN TODAY in English 15 Dec 83 p 16]

CAVITE NPS IN HUMAN RIGHTS DRIVE--The Cavite NP chapter will continue to participate in fiscalizing the government in order to protect the human rights of every Caviteño and at the same time promote public welfare. In a human rights symposium sponsored by the Cavite Youth Leaders Association headed by well-known economist Mario Villareal, former Kawit (Cavite) Mayor Florentino Aguinaldo Bautista, Jr, who is Cavite NP chairman, said for the past several years the NP chapter has harnessed party talents in providing assistance and welfare services to victims of oppression and poverty. As a result of the program, he reported, the chapter had secured the release of detainees, assisted society in the promotion of peace and order and provided food and shelter to victims of calamities in depressed areas in the province. He stressed that since by natural and constitutional mandate

the security of the state is the prime duty of every citizen. It is not in the duty of every leader even former officials like him, to work for the welfare of his fellow men for only then that the security of the country is assured. He reiterated the Cavite NP's commitment to human rights and welfare services. In another development, the Cavite NP issued a clarification on the name of one "Luis Batino" reported in the press as an aspirant for assemblyman in Cavite. The correct name of the aspirant is Romy Batino who is a well known lawyer from Tagaytay City. [Text] [Manila BULLETIN TODAY in English 15 Dec 83 p 13]

KKK POLICY REVIEW SOUGHT--Cagayan De Oro City--Concerned citizens including local officials have asked the Ministry of Human Settlements to review its policies on the granting of Kilusang Kabuhayan at Kainlaran (KKK) loans "to avoid losses of funds." The review was suggested by several individuals led by Kagawad Guillermo C. Parrel who criticized the MHS for the delay in the implementation of the ministry's housing projects here and nearby Lingig City. He said the intended beneficiaries of the BLISS housing project at Balulang have been waiting since December last year for the time they can occupy their plots but of the 50 units being constructed, only their 20 have so far stood up. On the other hand, he said, the wood materials already attached to the housing units in Gingoog City have started to rot. Yet, the "We cannot wait" when the project will be completed. Parrel lamented that several KKK projects suffered from diversion of funds. As an example, a very close relative of a local politician was granted P957,000 by the KKK to finance the rehabilitation of their family's laundry business, he said. "Although this family was able to improve their residence and constructed a new commercial building, not a move has so far been taken to rehabilitate the laundry business. The city alderman is questioning the validity of the KKK loan approval since the project will only benefit one family," Parrel said that "this is not the only case in which KKK funds were diverted by the beneficiaries. (CAN, Jr) [Text] [Manila BULLETIN TODAY in English 15 Dec 83 p 10]

COMMISSION APPROVES LAND PLANS--The Human Settlements Regulatory Commission has approved land use plans and books of maps for seven more areas for priority development (APD) or blighted areas in Metro Manila. The latest batch of land use plans brought to 147 the total of APDs with formulated land use plans. The number includes the 20 earlier contracted to the University of the Philippines planning and development office. The urban land reform program of the government is initially focused on these areas. Under a presidential proclamation there are 245 APDs including the Dagat-Dagatan area in Tondo, Manila. In the APDs, rentals of residential and commercial buildings and lands have been frozen until further notice to avoid speculation by land and building owners. All transactions over property have to be cleared with the HSRC. This covers mortgages, sales and other incumbrances over the property. The areas covered by the new land use plans are APD 17, barangay Bagong Lipunan, Santolan Road, Quezon City; APD 46, Balong Batan, Quezon City; APD 56, Block 15, barangay Bungad, Quezon City; APD 4, Marulas, Valenzuela, Metro Manila; APD 3, back of old municipal building, Paranaque; APD 4, barangay Pitogo, Makati; and APD 5, barangay San Isidro, Inosibir and Borneo str., Makati. [Text] [Manila BULLETIN TODAY in English 15 Dec 83 p 9]

MANILA (UPI)—The central bank yesterday remind exporters that a month's proceeds must be surrendered to the banking system within 30 days of export date. The central bank issued the reminder in the wake of an order that some exporters have been wilfully withholding abroad the proceeds of their exports, resulting in further pressure on the country's foreign reserves. Manila, the central bank said failure to comply with this regulation will be considered the central bank Act, by a time of not more than 1,000 pesos or the equivalent of not more than 3 years. The central bank added that exporters may except payment for their export sales in any of the following currencies: the peso, the U.S. dollar, the Japanese yen, the British pound, the Australian dollar, the Hong Kong dollar, Swiss franc, French franc, and the German mark. (UPI) (1941) Manila Far East Broadcasting Company (English) 1941

Philippines' 1960-61 budget year, government may resume exporting rice early next year if rice exports were suspended late this year because of the drought in the country's Central Visayas. Agriculture Minister Arhimo R. Tazon, Jr., said the decision on the exports will be made after the results of the main rice crop are available. The main crop which produces 70 percent of the country's rice needs started last November and will end January.

According to Tazon, "the government will export rice because of the need to maintain the fluctuating prices of the commodity," Tazon said. Rice output for the year reached 2.2 million metric tons of the grain is considered sufficient. Government rice monitoring teams said the price of rice would be held to a range of \$400 per metric ton, about \$60 up from the \$340 per metric ton early this year. There are indications rice exports could resume next year. At present, the country's rice stock was placed at 1.5 million metric tons, about 50,000 metric tons more than the emergency rice reserve of 1.45 million metric tons. Several farming areas in Northern Luzon and Visayas are harvesting their palay crop. [Text] JHK271252 Manila TIMES JOURNAL 1960-1961, No. 85, p. 17

MANILA, 13 SEPTEMBER 1981--The president has called on the member of the
different religious bodies in the Philippines to spearhead a nationwide information campaign
to help the plebiscite to acquaint the people of its significance in the
national political framework. The president said it is imperative that the
people be informed both of the guiding principle that the forthcoming plebiscite
be nonpartisan, and make aware of the safeguards initiated to prevent an
unjust result. The result of the plebiscite on January 27, 1984. The president
stressed that since the plebiscite does not involve any conflict between
the church and state, and is therefore nonpartisan, the only problem left is one
of informing the people about the consequences of these proposed amendments to
the constitution. (Text released by Manila Far East Broadcasting Company in
Manila, 13 September 1981)

IGCAR CANMORE RECEIVES DIFFERENTIALS--Sugar producers and farmers will receive, starting today P227.7 million in export price differentials, the first amount for crop year 1983-1984. Ambassador Robert F. Benedicto, president of the National Sugar Trading Corp (NASUTRA), said the price differentials were sugar produced from Aug 8 to Dec 11 this year. Benedicto said that with the P227-million to be distributed, the Nasutra would have received a total of P4.73 billion in export price differentials.

1979-1980 up to the present. The differentials
on sugar producers get of the export income in excess of
the price paid to them by the Nasutra before actual
payment by the Philippine Sugar Commission (Philcom), the
regulatory agency, the net composite liquidation price
was P1.16 per picul effective crop year 1983-84, compared with
P1.14 per picul rate. Previous differential payments were:
P1.11 billion; crop year 1980-81, P1.17 billion; crop
year 1981-82, P1.18 billion and crop year 1982-83, P1.23 billion. The
Government is unable to provide the differentials to sugar producers in
light of world market price now at about US\$0.08 a pound, due to
the fact that contracts entered into in 1980 were 50 percent
of the value of sugar at an average price of US\$0.23 a pound. [Text]
[Manila BULLETIN TODAY in English 15 Dec 83 pp 1, 3]

1. MATSUSHITA OPERATIONS--Osaka, Dec 15 (Reuter)--Matsushita
Electronics International said its Philippine subsidiary, Precision Electronics
Co., would suspend production for about one month from Dec 16. It said
the suspension reflects a shortage of parts resulting from
the recent currency shortage and a ban on imports. Precision
Electronics, a joint venture 60 percent owned by Filipino businessman Jesus
Lapuz and 40 percent by Matsushita, has been producing black and
white television receivers, stereo and radio sets, washing machines
and electric machine and refrigerators, and electric fans
using parts supplied by Matsushita. The joint firm employs
about 1,000 workers. A Matsushita official said the company has no intention
of closing its Philippines factory for the time being. The
company is unable to import enough electronic appliance parts from
Japan. [Text] [Manila BULLETIN TODAY in English 16 Dec 83 p 24]

2. FOREIGN INVESTMENT--Subsidiaries and affiliates of foreign companies
operating in the Philippines may import their raw materials, supplies and
machinery under one of two schemes opened by the Central Bank yesterday.
Under the scheme which was issued yesterday, the subsidiaries and
affiliates may import their importations for the rest of the year and through
the end of 1984 at the following: 1. Conversion of the importation
into equity in the local firm; and 2. A letter of credit to be opened by the
subsidiary or affiliate whose payment shall be contingent on its earning a net
foreign exchange earnings out of its own exports and/or out of exports of non-affiliated
subsidiaries of non-traditional manufactured products which are
imported to the subsidiary. In both instances, the prior approval
of the BOI to such arrangements is required. In the case of the first option,
the value of the imported material into equity in the local firm shall
be in accordance with the laws and regulations. In the case of exports arranged
under the second option, a report of such arrangements must be submitted to the BOI.
The amount of the net foreign exchange earnings which may be used
to pay for the raw materials and equipment shall be the
difference between the FOB value and the value of the imported components of
the products. [Text] [Manila BULLETIN TODAY in English 16 Dec 83 p 24]

BUDGET EXPENDITURES FOR 1984 OUTLINED

Honiara SOLOMON STAR in English Nov 83 pp 1, 2

[Text]

The Solomon Islands Government has earmarked \$75 million to be spent during its 1984 Fiscal year.

Of this total, \$43.5 million would be spent on recurrent expenditure, \$28.2 million on development expenditure and \$3.3 million would be in the form of material aid from donor countries.

Introducing the 1984 Appropriation Bill, the Finance Minister, Mr. Bartholomew Ulufa'alu said that although the country's economy has survived the world recession into an upward turn, people should not relax or sit back, expecting too much from the Government, or for such situation to continue.

"It is therefore important that the 1984 Budget and policies must be geared for a prudent expansion", he said.

Touching on wages and prices, Mr. Ulufa'alu said that pay increases for 1984, would not be more than anything in the range of 5 per cent to 7 per cent. This would apply not only to basic rates but also earnings related to by ratio to those rates.

He said that as a result of pay rises from 5 - 7 per cent, and import price increases from 5 per cent - 10 per cent, it may be possible to hold the rate of inflation in 1984 below its present rate of about 8 percent.

Imports of fuel and investment goods are expected to increase in value by 15 per cent to 20 per cent; and some increase in imports of consumption goods is also expected as more people go into wage employment, and rural households spend their increased copra incomes.

"The improvement we are now seeing in exports should be maintained in 1984. We expect increase earnings from all our exports", he said.

The Minister said that production increases of 5 per cent to 15 per cent are predicted for copra, cocoa, palm oil and kernels, timber logs and fish. Although little improvement is expected in prices for logs and fish, vegetable oil prices should remain high for most of 1984.

On taxation, Mr. Ulufa'alu said that there will be no change in company tax or personal income tax, as well as import duties.

Three important changes are being made in export duties.

The duty on copra has been reintroduced, because of the much improved copra prices. The duty is now payable at 15% instead of 20% and on a revised formula that gives the copra producer a higher duty free price of \$300 instead of \$180 as before.

As from November 24, duty on cocoa is being reintroduced at 2½ per cent instead of 10% and duty on timber logs is being increased. It will now be 15% on the duty on all sizes of log (f.o.b. price) instead of 7½ per cent for small logs and 10 per cent for normal size.

The Finance Minister said that he expected the public sector to invest \$15 million up to \$20 million in new fixed assets, and the private sector to make fixed investments of broadly the same importance.

Mr. Ulufa'alu said that reflecting back to the difficult situation the country experienced since 1981, it is clear that our economy has survived the world recession in a reasonable shape. He said this is largely because of the strong determination by the Government in adopting realistic and practical measures in managing its economy well, and that the people's expectations have been reasonable.

The Minister said that "as a result of these self-imposed measures, our economy is expected to grow by 5 per cent or more during 1984".

CSO: 4200/325

ROLE OF FOREIGN BANKS DISCUSSED BY BOT OFFICIAL

Bangkok: *THE NATION REVIEW* in English 10 Dec 83 p 12

[Speech by Chavalit Thanachanan, governor of the Bank of Thailand, at the Annual Asian Foreign Exchange Club meeting at the Royal Orchid Hotel on 9 December 1983]

[Text]

IT IS AN HONOUR and privilege for me to be invited to speak to a big gathering of foreign bankers at this Annual Asian Foreign Exchange Club meeting. I should like to begin my talk by pointing out some of the salient features of our economy. Thailand has the distinction of being one of a few countries which have maintained a relatively high rate of growth throughout the past two decades. the baht is also one of the most stable currencies in the world. A number of economists and financial commentators attribute Thailand's success in these two areas to several key factors, namely,

- 1) virtually no restrictions on current transactions and capital flows
- 2) pursuit of cautious fiscal and monetary policies
- 3) prudent management of foreign borrowings
- 4) high level of foreign exchange reserves

With regard to the financial sector, over the past three decades the commercial banking system has also shown a remarkable progress. In quantitative terms, growth rates of total assets, capital funds, deposits and loans have been as high as 18-21 per cent.

Like all other developing countries the first commercial bank in Thailand was a branch of foreign

bank, in this case the Hong Kong and Shanghai Banking Corporation which was established in 1888. This was followed by branches of a few other foreign banks in subsequent years. During the first half of the present century foreign banks therefore played a very dominant role in the trade financing and business transactions in the country. Only after the end of the Second World War that Thai commercial banks began to forge ahead of the branches of foreign banks in volume of deposits, capital and accommodation to business. As of now, despite the fact that the number of branches of foreign banks is almost the same as that of Thai banks, their market share represents a mere 3.5 per cent of the whole banking system depending on how it is measured.

Various aspects of the role of foreign banks in Thailand have been discussed and analysed in recent years. Talk also abounds regarding the Government's policy on possible new entries of foreign banks. In the light of these discussions, I think it will be very useful for me to discuss this very important matter in depth.

What is the role of banking in general? In simplified form, I would say that a bank is supposed to mobilize funds in order to finance trade and development in the most

efficient manner consistent with the economic and financial policies of the country. In addition, it should contribute to the proper functioning of money and foreign exchange markets.

With those functions in mind, we turn now to the more specific question: What are the foreign banks supposed to do and possibly do better in Thailand?

On the question of fund mobilization, one has to distinguish between domestic sources and foreign sources. As regards domestic sources, it is clear that foreign banks are in no position to compete with domestically incorporated banks as they are not permitted to have sub-branches in the country. Although this restriction certainly puts foreign banks at a disadvantage as compared with Thai banks, the fact that it is the only preferential treatment enjoyed by the latter in their own country should be recognized. All of you probably agree with me that in most other countries official regulations of activities of foreign banks are much more severe and restrictive.

Turning to trade and investment financing, it is often claimed that more entries of foreign banks will introduce modern techniques of financing to the Thai financial scene. However, one must admit that these skills are easily transferable. It is widely accepted that banking is one of the few professions where skills are easily acquired, compared with other areas. Many banks in Thailand have world-wide reputations.

If one differentiates between domestic and foreign currency financing, as far as domestic financing is concerned, it follows that, with their local currency base, Thai domestic banks could finance domestic trade and investment needs quite readily. Also, I do not believe that anyone can argue that indigenous banks are not better placed than foreign banks as far as ascertaining the needs of local customers is concerned. After all, banking is fundamentally a people-oriented business.

However, with respect to foreign currency financing, I am certain that foreign banks, whether or not

they have an office here, play a very crucial role. For a developing country like Thailand, the confidence of, and commitments by, international commercial banks and the international investment community at large is of extreme importance. Foreign banks have the expertise and the connections required in order to induce capital necessary for economic development. In my opinion, the significance of expanding and diversifying funding sources cannot be questioned.

What is under study in the case of Thailand has been the question whether a foreign bank must have a branch in the country to be able to entice capital investment from abroad.

It is quite clear that intimate acquaintance and involvement with the country play a significant role in financing decisions. Another widely discussed and debated aspect is the importance of branches as opposed to representative offices and other forms of representation in the country. There are various cases in many parts of the world where countries permit no branches of foreign banks, but intensive capital inflows have been attracted. Australia and the Scandinavian countries are cases in point.

Here, there has also been no clear correlation between the capital-inducing role of foreign banks and their status as a branch or representative office. Some foreign banks which have just representative offices have brought in more capital than many banks who have branches. This phenomenon is not altogether surprising, as modern communications have done away with the need for physical presence. Bankers frequently travel to any corners of the world which require financing and are considered attractive credit risks on the part of the lender. The economic fundamentals of any country are analysed in the financial press to be read by all who are interested. In short, physical presence is no longer a precondition for funding commitments. Nor other activities for that matter.

As you are quite aware, foreign exchange markets in Thailand are neither balanced nor well-functioned. In some respects, this is quite understandable. Imports of goods have traditionally exceeded exports. In addition, most exports are made on a cash or very short credit term basis, while imports are paid on a relatively long-term basis. This phenomenon causes demand for forward US dollars, the main trading currency, to usually exceed supply of forward US dollars. Upward pressure on the premium of forward US dollars in relation to the Thai baht is recurrent. Major Thai banks whose main customers are exporters become sole suppliers of forward dollars, thus more or less controlling the forward market in this country.

Up to now, it can be said that branches of foreign banks in Thailand have made no significant contribution to expanding the breadth and depth of the foreign exchange market here. This observation is intended not to place the blame on foreign bank branches, but only to refute claims made by international banks to the effect that, if they were permitted entry, they would make foreign exchange markets more broad and deep because of their world-wide experience. Past experience does not indicate this. I hope that such claims could be substantiated by the foreign banks already having a presence here. Of course, our friends from foreign branches might argue that the regulatory framework as existing in Thailand is not conducive to the positive roles foreign banks could play in the foreign exchange markets. I have yet to receive concrete and well-reasoned suggestions on this matter.

The various reservations which I have already indicated concerning the contributions of foreign banks in Thailand do not imply that I am opposed to new entries of foreign banks. In my personal opinion, I sincerely believe that foreign banks can play useful and positive role in furthering the realization of some of the economic objectives of the country.

As far as international trade is concerned, I am confident that foreign banks can play very significant roles, especially regarding the trade Thailand has with faraway countries, especially in Africa, the Middle East and South America, because of their world-wide connections and branches in those areas. This is increasingly important in light of Thailand's attempts to expand export business in new markets. I sincerely hope that foreign banks will continue to be interested in this business.

Having touched on various issues regarding the role of foreign banks, I would like to add that we at the Bank of Thailand have considered various alternatives through which more participation of foreign banks can be attained. These alternatives comprise the attempt to establish Bangkok as one of the offshore banking centres, the granting of restricted licence to selected foreign banks to operate locally, and to permit the opening of more foreign bank branches.

As regards the feasibility study of the establishment of offshore banking centre, we have found that the viability of such an operation is very uncertain as the business is highly competitive. Large government investment in infrastructure to improve communication system is also envisaged. These uncertainties and the cost involved seem to outweigh the benefits we would reap in the forms of increasing tax revenue, transfer of financial technology and expertise and wider access to international financial markets.

Among the remaining alternatives, I believe personally that the admission for more branches of foreign banks would contribute most to the Thai economy. This is in spite of the fact that in terms of the mobilization of foreign funds the contribution of representative offices have surpassed that of existing branches of foreign banks. The benefits, I believe, will result mainly from stronger competition in the current banking system which, hopefully, would lead to

cost advantages for Thai customers, innovation and efficient servicing of customer needs. Transfer of technology and expertise is another area where branches of foreign banks is anticipated to contribute relatively more.

Over these past years, international markets have undergone dramatic changes. Unexpected financial events have taken place in domestic markets of most countries. Thailand is no exception.

In recent years, the financial scene in our country has changed remarkably. The interest rate structure has been made more flexible resulting in a highly competitive financial situation. Good liability management cannot be attained without consideration of the prevailing market condition which is the product of macroeconomic realities and policies, both domestic-

ally and overseas. Bankers must compete vigorously for funds in the domestic markets. Their competition is not limited to that among themselves but also with other financial institutions. Existing foreign branches have to adapt to those realities. They must realize that during the last three years there have been more changes in the banking businesses than had taken place in the preceding twenty years. Without professional adaptation, their role would be gradually diminished. International banks aspiring to get into Thailand must show us the specific benefits Thailand could achieve by permitting new foreign banks in Thailand.

As a hard-headed central banker, the discussion on this matter should not be based on hearsay and worn-out reasons but on well-reasoned arguments consistent with practical realities.

CSO: 4200/314

FALL PREDICTED FOR MINE EXPORT EARNINGS

Bangkok (BANGKOK 105) In English 8 Dec 83 p 22

[Text]

THAILAND'S mineral export value in 1983 will be less than last year's 10,169 million baht, largely due to the worldwide economic recession which results in depressed demand and low market prices.

Director General Sivavong Changkasri of the Department of Mineral Resources told the international symposium on the "Role of Government in Mineral Resources Development" held at the Royal Orchid Hotel that it is clear that this year's mineral exports will account for less those obtained in 1982.

The decreased value is also due to the tin export control restriction imposed by the International Tin Council, of which Thailand is a member, since April 1982 during the low market price level, he said.

Mr. Sivavong said the 13.1% annual growth in mining producing as set in the current Fifth National Development Plan 1982-86 is somewhat ambitious and challenging.

If the mineral production target is to

be met, the production must expand at twice the rate of the economy as a whole, and all parties concerned must work hard in order to achieve this objective, he added.

According to the Fifth Plan, it is aimed that production of tin, the country's major mineral commodity, should grow at only a minimal rate, while production of other minerals would be as much as practicable.

Mineral commodities are anticipated to continue to be a significant factor in the nation's overall economy as shown in the past, he said.

The total value of minerals produced, excluding indigenous natural gas and oil, has increased from 3,100 million baht in 1975 to 10,169 million baht last year. The value of mineral exports in 1982 represented 6.2% of Thailand's total export earnings.

Among several minerals, tin remains a major commodity which in 1982 accounted for 82% of the export value of all minerals.

CIA: 6/11/11

THAILAND TANTALUM INDUSTRY CORP LTD

Bankers for NATION BUILDING THAILAND 10 Dec 83 p 12

1000

THAILAND Tantalum Industry Corp Ltd, the world's largest tantalum factory located in Phuket Province, has obtained a loan of US\$53.5 million from the World Bank to finance the operations of its US\$90 million plant.

The loan was signed on Thursday at the headquarters of the World Bank. The loan will carry interest at 13.5 per cent per annum and is repayable in 11 years, including a four-year grace period, according to AP report from Washington.

Tantalum is a rare metal, highly resistant to corrosion, used in chemical equipment and in surgical instruments.

The bank's International Finance Corporation, which helps finance private industry, is joining in an international group of 11 investors with a loan of US\$53.5 million.

In addition, IFC is buying a 12 per cent interest in the plant with an investment of US\$4.9 million.

The new plant will make it possible to export partly refined tantalum instead of the slag from tin mines that contains tantalum.

The project is expected to earn US\$16 million a year in foreign exchange for Thailand in the first few years and eventually 32 million a year.

The Thai tantalum project was launched in

January, 1982. It consists of an electrosmelting plant using exclusive Starck process and a chemical plant using liquid/liquid extraction technique.

This combination will enable the company to process both high and low grade tantalum source materials, and make it only the second plant in the world to possess such a capacity.

The technology for the project was provided by Mess Hermann C. Starck Berlin, a West German firm which is currently the world's leading tantalum processor.

The major consumer are the United States, Japan and West Germany. The project expects to produce about 300 tons a year, all to be exported.

Other financers in the project include West Germany's government bank for export and development assistance Kreditanstalt fur Wiederaufbau (KfW) which approved a loan of DM10 million.

Production is scheduled to begin early next year.

CRU: 1000/100

INDUSTRY MINISTER OF THAILAND: REFINERY OPERATIONS

bahtak business in THAILAND in English Nov 83 pp 27, 28

[Interview with Minister of Industry Ob Vassiratna by Kanitha Srisilpavongse]

[Text]

What is the progress on TORC III?

As far as I know it is certain. The two banks are willing to arrange the export credit financing for the project. However, they asked me whether phase II can be scrapped. I told them "No" because TORC had made that commitment with the government. (The only leeway is that the government may allow an indefinite delay to phase II's implementation.)

Is that the only condition that is holding the two banks from granting the export credits?

I am under the impression that is so.

Has government's support come in the form of, say, an increase in ex-refinery price?

None. The government has not given TORC any assistance. This is why I am personally against enforcing the 100,000 baht fine per ton of TORC III is not completed by December 1987. You see, the public says... I understand that for every 100 baht TORC makes the government gets 85 baht.

What is TORC's profit margin?

Approximately 15-16%.

With 15-16% margin, will TORC be able to repay principal and interest on the loan?

(TORC) is having some difficulties because bankers are not satisfied with this figure. The margin is too thin for their comfort and (TORC) may encounter further problems and (profit margin) can possibly get lower. They (Bankers) would like to see (TORC) operate at a 20% margin.

What percentage of margin would you deem appropriate?

For an industry such as this, 18-20% is reasonable.

How will TORC be expected to make that much if there is no change in the basis on which the ex-refinery price is assessed? (According to the Post 19 September 1983, TORC recently sent a letter to the National Petroleum Policy Committee (NPPC) asking them to

raise pricing ex-refinery oil structure in the hope of raising its refining margin now at its very lowest.)

Shuket) Not only will there not be ex-refinery price increase, it may even be decreased. But I don't think they (ex-refinery price and profit margin) are interrelated. Another factor is that the government collects 85% from TORC (in the form of excise duty and taxes).

Will the government revise the level of excise and taxes collected on refined oil?

Both parties had agreed to that today.

In short-run, how will the price of imported refined petroleum products differ from the locally refined products?

That depends on how much excise tax the government decides to collect.

I'd like to ask again, why did the two banks decide to finance TORC III?

Government had given its word with a written promise - and I think the bankers believe that government will not make life difficult for private sector industries. Whatever the government can do, it will. Therefore, the return on investment should be 16, 17 (sic) as high as 18 to 20%.

Did the government make a verbal promise that the return will be 20%?

The government did not say that. It was I who told the bankers that.

What is the government's policy concerning ex-refinery price?

It is mutually understood, not a law, that in practice, the ex-re-

finery price here is based on the average price of Singapore's six refineries. I'm personally inclined to disagree with this method because most crude is imported from the Middle East. Therefore, freight cost is higher for Thai refineries than Singaporeans'. Thai and Singaporean refineries are of a different scale. I don't think it is appropriate to base our price on the Singapore price, however the NPPC chaired by the Prime Minister is studying the issue.

What is the government policy concerning its degree of participation in the refining industry?

I don't support (the idea that) government increase its shares and turn a privately-owned refining company into a state enterprise. I am a member of the NPPC. If a member proposed that government participation be increased, I will voice my disagreement. If the committee's consensus rule otherwise, that's another matter. As things stand, the government has more than enough shares in oil refining industry. (The government on February, 1981 unilaterally terminated the lease agreement of the Bang Chak Oil Refinery which ends in 1990 with Summit Oil. On 26 December 1980, PTT acquired 49% of TORC's registered capital.)

Caltex and Shell are reportedly interested in leasing the Bang Chak Refinery (Presently the Defense Ministry operates the refinery while PTT handles the financing, marketing and crude procurement.)

We have to wait and see. Bang Chak will continue to lose money because of huge loan financing

costs. I was told that DED (the Defense Energy Department) borrowed over 2,000 million baht as working capital when it took over the refinery. The Ministry of Defense and PTT will have to decide which party will run the refinery.

Does that mean Bang Chak will continue to be government-owned?
(Sigh) To be honest ... they haven't come up with a recommendation, therefore, I can't really say anything.

Will the government sell or lease Bang Chak?

I can't tell you now. We will have to discuss which way we are going to take. I support the move to let the private sector hold shares in the refinery.

Thank you, Khun Ob. ●

(S0): 4200/314

UNION OIL MUST PAY MORE ROYALTIES

Bangkok BANGKOK POST in English 12 Dec 83 p 17

{ Text }

THE official Petroleum Committee on Friday passed a stern resolution demanding that Union Oil Co of Thailand pay additional royalties levied on natural gas and condensate production from the troubled Erawan field.

The resolution, the third of its kind by the committee, is in response to Union's second rejection last month of a demand for more than 100 million baht in royalties that the authorities insist are due.

The committee, a special government body set up to oversee matters related to the country's petroleum exploration, warns the American concessionaire to abide by the Petroleum Act by paying additional royalties for production in the period starting in May 1982.

In the warning letter, to be issued soon by the

Department of Mineral Resources, the authorities will clearly stipulate under which sections of the Petroleum Act they view the company is obliged to pay the royalties, according to an official source.

In its earlier letter to the DMR, Union maintained that it had strictly followed the royalty regulations and was not subject to additional royalties.

The company reaffirmed that it was paying 12.5% royalty based on the "realized sale price" of natural gas and condensate paid by its sole buyer, the Petroleum Authority of Thailand (PTT).

The committee, on the other hand, insists that it must pay royalties based on the quoted price as stipulated in the sales contract entered between PTT and Union.

The crux of this agreement is that PTT has

since May 1982 unilaterally reduced the gas and condensate payments to Union by 20% of the agreed (quoted) price as penalty for the shortfall in supplies.

Union and PTT have still not managed to thrash out questions arising from the shortfall problems, nor have they been able to agree on the contractual consequences. The penalty money PTT has assessed from Union is more than 1,400 million baht so far. The additional royalties the authorities demand are 12.5% of that amount.

Union had twice told the committee that the firm was ready to reimburse the required royalties as soon as PTT paid the bills in full.

Industry sources said that if the committee's demand is rejected again, both parties may have to resort to the Office of the Juridical Council for law and contract interpretations.

PROBLEMS AND DILEMMAS IN THE TRANSITION, EXPORT GROWTH

By DAVID MCKEE (1982 in English 3 Dec 81 p. 11)

(continued from page 10)

(1982)

THE rather drab figures bring into focus the central problem Thailand faces today as it seeks to rejuvenate its economy from the recent battering of worldwide recession. No matter what the country may do to create a whole range of brand new industries on the basis of the natural gas now flowing in from offshore deposits, these hardly noticed figures will still play a major part in shaping the country's future.

One figure records the yield per hectare. Thailand is getting from its padi fields. From 1970 to 1981, the average was 1.9 tons, a third lower than the Asian mean of 2.4 tons. Padi is important to any Asian country but in Thailand it is the economy's mainstay. This is only to be expected because the country is one of the world's largest rice exporters. It has in fact taken the top spot in the last three years with a share of one fifth in total world exports.

Not surprisingly, padi's share in total national income is stable, un-fertilising its importance to national well-being. *Given this context*, it is all the more surprising that padi cultivation remains in such poor shape.

The principal reason for its backwardness is the second figure showing that Thailand uses only 162 kg of fertiliser per hectare, far less than other major agricultural exporters in the region like Malaysia (1,244 kg), Philippines (337 kg), or Sri Lanka (770 kg).

Despite the poor showing on these counts, Thailand has succeeded in raising its total farm output at an impressive rate of five per cent annually in the past 20 years, well above the average for the less developed countries (LDCs).

This is mainly the result of an extension of acreage at four per cent a year. One result is that rice exports are now two-thirds higher than in 1970 even though it is currently adding a million to its population every year. But this can't go on. The export surplus is bound to diminish unless rising yields offset the rapidly diminishing availability of virgin land.

Like any other modernising country, Thailand cannot expect to sustain the momentum of growth from agriculture alone. In fact, the preponderance of this sector has already been greatly diminished with its share in the national cake going

down from 50.5% in 1960 to less than a quarter now. Thailand's share of world agricultural commodities in terms of exports has fallen from over 60% to less than three-fifths over the same period as *World Development Report* shows.

Because of these changes, should Thailand try to pursue its present industrial development or administrative orientation?

The answer is no. In the example of the last three-quarters of this century, there is a definite agreement for the two should be mixed.

Insecurity

Thailand's government rightly makes poverty alleviation the primary objective of its current economic policies. The proportion of those trapped in absolute poverty is still as high as 25 per cent despite the considerable improvement during 20 years of high and sustained economic growth.

Poverty alleviation is basically a rural phenomenon deriving in part from an agricultural base that is still relatively poor. As the country's Fifth Plan document says, 70 per cent of the

cultivated area consists of land still gazetted as forests.

That apart, farmers legal or otherwise cannot make the change to new, high-yielding seeds.

The first constraint is that only 20 per cent of the cultivated area is presently irrigated. In fact, assured year-round water is available only in a quarter of the irrigated area. The second is that the seed supply is woefully inadequate.

Finally, Thailand is trapped in the vicious circle of good crops leading to a fall in prices which, in turn, reduces sowing the next time around until the price recovers again.

In theory, the government is now offering price support by undertaking to buy at previously announced prices. But as officials themselves admit, this is still not working too well.

Perhaps the biggest single disincentive to improvement's in padi yields is the policy of holding the domestic prices down through export taxes or levies which have the effect of reducing what an exporter earns.

Now the revenue benefit is quite small because of progressive reductions but the second consideration is still important. Incidentally, cheaper rice also benefits the rural poor who usually have to supplement whatever padi they grow, or get as wages, by purchase from the market.

But this benefit is coun-

terbalanced by the fact that low prices discourage intensive farming which would increase the demand for labour and hence raise the level of farm wages.

Also to be noted is the falling rate of output growth for lack of incentives. If this trend continues, the rice surplus will dwindle and prices go up causing distress to the poor and hurt to the economy.

The government recognises that agricultural growth has begun to slip. This is brought out by slower increases in output since the late 1970s. This has led to a welcome shift in policies, starting with a commitment now to legalise cultivation of so-called forest land by issuing inheritable but non-saleable "right to farm" certificates.

There is also a plan under way to improve the supply of inputs - credit, seeds, marketing support and water - through improvements in the irrigation infrastructure to get more out of it.

Experience

But the bulk of the responsibility for providing credit and supplies is to be left to the private sector. This means the big agri-business companies, including the one being set up to build the nation's first fertiliser plant. This, of course, is to be expected in a country where the government has by choice held itself back from direct participation in econo-

mic activity.

However, a parallel approach to rural development is being adopted via *tambon* (sub-district) councils under a community development programme aimed at some 12,500 villages, a quarter of the total, which are in poverty stricken areas mainly in the northeast.

where commercial promotion of yield-raising inputs will not work.

Will the councils be able to deliver the goods?

Judging by the experience so far, they may in areas where the poverty problem is not too acute. The limited push that this approach provides may get them moving ahead.

But this won't happen in the nature of things where agronomic conditions - the quality of soil, for example - are adverse. There is still no clear-cut plan to find alternatives to subsistence farming which, alas, fails to yield an adequate subsistence in such areas. These lie, as it happens, in a politically sensitive belt along the Laos-Burma border.

If the present effort to improve yields and income pass these areas by, as seems only too likely, the regional disparities which contribute to political tensions are bound to widen. The danger is recognised in Bangkok but policy-makers cling to the hope that progress in the promising areas will rub off on the less fortunate ones. - Depthnews

SECESSIONIST MOVEMENT IN SOUTH DISCUSSED, WAGES OF INSURGENTS NOTED

Kuching SARAWAK TRIBUNE in English 28 Nov 83 p 13

[Article by Jose Katigbak]

[Text]

Thai secessionist rebels fighting to establish an independent Muslim state in southern Thailand have suffered a severe setback with the mass defection of about 500 of their comrades.

The Muslim defectors were among a group of some 700 insurgents including communist guerrillas who formally surrendered in this southern town recently after receiving government assurances of economic support.

Maesek Romak, 31, who defected after nine years in the jungle, said: "I was tired of always being on the run."

The switch has not been too rewarding for him financially.

"I now have a job paying me 2,000 bath (about 90 dollars) a month, much less than I was paid as a fighter. But at least I have my freedom and I can be with my family," he said.

He said there were several Thai Muslim secessionist groups receiving aid and money from abroad but ideology and tactics kept them apart.

Thai military sources said the support generally came from militant Muslim groups in the Middle East, Libya and Malaysia.

Thailand's five Muslims make up about 10 per cent of the country's predominantly Buddhist population. Most live in the south in the Muslim-majority provinces of Yala, Pattani, Narathiwat and Satun and have a closer cultural affinity towards Malaysia.

The struggle for separation in southern Thailand goes back centuries and has been fuelled by real or imagined grievances against the central government in Bangkok.

Corruption, administrative neglect, oppression and attempts to di-

lute the Muslim character of the southern provinces with officially-sponsored Buddhist Immigration are some of the charges levelled against the government.

Apart from the separatist rebels, guerrillas of the Communist Party of Thailand (CPT) and the banned Communist Party of Malaya (CPM) operate in the area. So do bandits and pirates and it is often difficult to know which group is responsible for any given crime.

Major-General Wanchai Chitchamnong, Commander of the Fourth Army Region which comprises southern Thailand, estimates the armed strength of the Muslim separatists at 1,100, the CPT at 1,200 and the CPM at 1,500.

Luckily for the government the insurgent groups do not cooperate with each other. In fact long-standing racial animosity between the ethnic Chinese of the CPM and the Thai Moslems had led to open clashes sometimes.

The CPM, although based in Thailand, concentrates its attacks against Malaysian territory.

General Wanchai considers the CPT the most dangerous threat because it operates

throughout Thailand. In addition to its 1,200 guerrillas in the south the CPT has about 1,800 insurgents active in the north and northeast.

At the height of its strength about 10 years ago the CPT had some 13,000 men under arms.

Military officials say much of the government's success against the insurgents stems from a shift in strategy.

Shortly after he took office Prime Minister Prem Tinsulanonda ordered in April 1980 the elimination of United Front Movements and armed insurgent forces by socio-political and military means.

"Political actions are the governing factor and military operations must be conducted essentially to support and promote the political goal," he declared.

In southern Thailand the government established the right of Muslims to follow Islamic laws in civil affairs, reflecting official recognition of the different traditions and culture of Thai Muslims.

In Muslim-majority provinces, Muslims were exempted from common Thai laws on marriage, divorce, birth registration and other civil matters.

The intake of Muslims for government jobs and

the police force was also increased.

Military sources in the south give much of the credit for the recent mass surrender of insurgents to General Harn Leenanond, former Commander of the Fourth Army Region, who was assigned to a staff job in Bangkok last month in the annual military reshuffle.

He instituted what he called a "Tai Romyen" (Peaceful South) policy which stressed improvements in the democratic system, law and order and economic conditions.

The outspoken Harn was relieved of his command because of personality differences with Supreme Commander and Army Chief General Arthit Kamlang-Ek, according to military sources.

When Arthit presided over the mass surrender ceremony he paid homage to Buddhist monks and Muslim mullahs and his speech in Thai was translated into Malay, reflecting the dual character of southern Thailand.

The surrender ceremony was significant because it was the first to take place in the south. Mass CPT surrenders have taken place in the north and northeast. — Reuter

MILITARY AFFAIRS AND PUBLIC SECURITY

CHECKPOINT PERSONNEL PRAISED FOR CATCHING SMUGGLERS

Hanoi TIEN PHONG in Vietnamese No 47, 22-28 Nov 83 p 6

[Article by Dinh Kim Anh: "No One Slips Through the Net"]

[Text] The sky was as dark as ink. The rain was incessant. There was no traffic on the road. Huddling in the guardhouse, Dung asked Pham Lai, "What time is it, 'commander'?" "2200 hours." Shrugging his shoulders, Dung said, "In such cold rain, it's wonderful to be able to stay inside for a while!"

"Only 2 more hours and our shift will be over...." Before he had finished speaking, headlights coming from the direction of Tay Ninh shone through the thick sheets of rain. Lai and Dung quickly straightened up their uniforms and went out to their position.

Two trucks traveling from Tay Ninh to Ho Chi Minh City slowed down and stopped at the checkpoint. The two drivers opened the doors of their trucks and jumped down. One of them thrust a package of Capstan cigarettes toward Lai and Dung and said, "It's cold. Smoke some cigarettes to warm up your insides." "What are you carrying?" asked Pham Lai. "We're carrying rocks to Saigon, as stated on our papers." "If the trucks are carrying rocks, why must they be covered so carefully?" thought Dung. He squeezed Lai's hand. Both of the young public security policemen had noted that suspicious detail.

In the rain Dung went with Pham The Anh, driver of truck 70A3572, to carry out an inspection. Seeing a bulging backpack in the cab, Dung asked, "What's in the backpack?" "Clothing and some personal items," replied Anh, who quickly took a package of cigarettes from his pocket and offered it to Dung. Dung refused very politely, "Excuse me, I'm very busy."

When he inspected the backpack, Dung discovered seven kilograms of MSG hidden between layers of old clothes. Pham The Anh smiled tightly and said, "I have only a few kilos to earn money to buy food and drink along the way. Give me a break...." As he spoke, Pham The Anh slipped 1,000 dong into Dung's hand. "Take this, instead of fining me!"

The bribe offered by Pham The Anh further increased Dung's suspicion about the two trucks "carrying rocks." He pushed away the hand of the driver who was trying to stuff money into his pocket and invited him into the guardhouse. There the truth was brought to light: in addition to the seven kilograms of MSG

In the truck, beneath layers of rocks on the trucks there were sandbags and boxes and containers full of MSG, Camay soap, cosmetics, "weight-gaining" tonic, perfume, cigarettes, filter-tip cigarettes, etc. In all, the luxury goods were worth more than 400,000 dong. Faced with such clear evidence and the firm attitude of Pham Lai and Le Van Dung, Pham The Anh had to sign a report admitting that he had misused a state facility to illegally transport goods. All of these goods were confiscated.

At one time there often appeared on that stretch of road a young girl with an oval-shaped face, a pretty nose, black eyes, and hair hanging down to her shoulders. There was always a smile on her lips. She introduced herself as Nguyen Thi Hong.

Most of the industrial-commercial tax personnel of the checkpoint were young men. How could they not but be won over by the girl's beauty?

Once Comrade Thanh Nhan looked at that "girl student" and suddenly thought, "Why does she sometimes appear unhindered but other times appear as 'bloated' as the merchants who conceal goods on themselves in order to slip past the checkpoint?"

Man's suspicion proved to be correct: inside the white "ao dai" and loose satin pants of the "comely" Miss Hong there were ten meters of foreign cloth (she had wrapped the cloth around her body).

When her method of "transporting goods" was exposed, Nguyen Thi Hong used another method: she colluded with credulous troops and disabled veterans who transported goods for her. Comrade X, a Step-4 disabled veteran, admitted that "she hitched a ride and appeared to be very sweet. Because we were easygoing and credulous, many of us 'volunteered' to transport smuggled goods for her."

The third time, Hong was caught red-handed with 18 kilograms of MSG, hidden in baskets full of bottles, scrap copper and brass, rubber, etc. Like the other blackmarketeers, she used all kinds of tricks and schemes, but all were discovered by the vigilant cadres and men of the Suoi Sau checkpoint and a force of young collaborators around the station.

The Suoi Sau joint control station is situated on an important artery between Ho Chi Minh City and Tay Ninh Province. On that route smugglers take gold to the border to exchange for contraband goods to bring back to the city. They set up tightly organized smuggling rings and seek all ways to bribe the personnel manning the checkpoint. They use money, gold, and women to bribe them and also use violence (once they used a truck to knock down a barrier and a guardhouse, and on another occasion they kidnapped personnel on duty and released them far from the checkpoint).

However, during the past 4 years the cadres and men of the Suoi Sau checkpoint -- 1/ young party members and Youth Union members -- have stood their ground at their fighting position. The checkpoint has made arrests in thousands of smuggling incidents and has confiscated for the state goods valued at hundreds of millions of dong. In September and the first half of October 1983 the checkpoint made arrests in 1,200 incidents and collected for the public treasury more than 20 million dong.

A young enlisted man, Le Van Yen, said that "When I first arrived at the checkpoint, at times I thought that I was too 'heavy-handed,' but the more contact I had with them the more I realized the nature of the smugglers. They stopped at nothing to benefit themselves. Actuality has demonstrated that a large number of them not only seek to make money but also to sabotage our country's economy. Therefore, we always maintain the attitude of Youth Union members.

In addition to their activities in the unit, the cadres and men of the Suoi Sau checkpoint operate jointly with the public security, tax, and military control elements in "unifying with and assisting one another so that no smuggler can slip through the net, and maintaining the purity of cadres, party members, and Youth Union members." That is a rule that has been observed by the Suoi Sau joint checkpoint.

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CSO: 4209/93

ADVERSE INFLUENCE OF EMIGRE VIETNAMESE MUSIC DECRIVED

Hanoi VAN HOA NGHE THUAT in Vietnamese No 9, Sep 83 pp 24-26, 52

[Article by Thanh Hai and Vu Hanh Hien: "Emigre Music: Its Subversive Nature and Activity"]

[Text] During the past several years the so-called "artists" who abandoned the homeland and fled abroad have been rapidly brought together, especially the musicians and singers. It is easily understood that people can sing anywhere and that their singing can be broadcast or can, by many other means, without such difficult return to affect the people who remained behind. And what have they sung? The first thing they have done is to boisterously restore and foster the songs of the old Saigon, which was a period of slavery and decadence. The new musical works have been developed in the following direction: beginning with laments over losses, then to remembrance and rancor; and once their ranks were reorganized, the songs were transformed into provocations and appeals for thoughts and acts against our people's great undertaking of constructing their country and socialism, and cynically supported the insidious plots of the international reactionaries. It must be added that in addition to plying their artistic trades the musical circles, especially some people who were famous during the Saigon people, can find additional employment by doing advertisements for businessmen. Read a few lines from an advertisement in the 5 November 1982 issue of the magazine THOI NAY HAI NGOAI: "I, Le Thu, have the honor of introducing to my fellow countrymen the Wai Wai supermarket, which I adore. It has high standards: fresh vegetables, all kinds of fruit, and 100 percent pure, fresh meat. It has a complete line of Oriental food. But above all it treats you as compatriots. The service personnel are very courteous and ensure the customers' rights to the maximum. Especially, the Wai Wai supermarket has created a warm feeling in Vietnamese circles. It is famous for keeping promises and are praised for the quality of their goods and their reasonable prices. Le Thu hopes that you will be satisfied when you visit and shop at the Wai Wai supermarket."

Here is Viet Dung, another person whose name was known in the old Saigon: "I, Viet Dung, respectfully introduce the Wai Wai fresh meat department, which has the highest meat standards. Furthermore, in my opinion the Wai Wai supermarket has a complete line of goods and low prices, and we should all try it!"

With modern audio technology and a wily commercial artistic mind, not only during the first years after the historic date of 30 April 1975 but even now,

in the West there have continually been brought back to life the sounds of the suffocation that had been created in the spiritual lives of Saigonese. They include love songs, obscene songs, sidewalk songs, "The Sorrows of Youth, Let Me Sing These Words, Crush the Myrtle Petals, Don't Receive Each Other, etc.", the works of Thanh Tuyen, Hoang Oanh, Thanh Thuy, Le Thau, Elvis Phuong, Cathy Huu, etc. That working method easily brings about many results. First of all, it enables even people who have just arrived at a strange far-away place after abandoning their homeland to immediately "find themselves." Furthermore, if those products are sneaked into Vietnam they will help bring back the old way of life and erase the boundary between the spiritual lives of the two regimes, which are completely different in nature. It will seek allies -- i.e. people who refuse to change -- in a country that has been completely liberated. At first the new musical works were lamentations. April 30th, of course, was a day of panic-stricken collapse for the people who followed the imperialists and betrayed the homeland, and was a complete loss for artists of the Pham Duy and Hoang Thi Tho variety. Let us listen to their lamentations in a "Sad Evacuation" musical program in the singing of Khanh Ly: "Oh Saigon! I've lost the good old times. Now the memories live in me, broken smiles on my lips, love-sick tears." Recently, in the Phuong Nga 2 tape (Phuong Nga -- a familiar name invented by a psywar organ during the puppet period): "I want to believe that life is like a page in a textbook, something as carefree as a kite flying in the wind, like a grapefruit, a fig, and the sound of wooden clogs resounding merrily on the deserted noon-time streets. Thus our immortal world collapsed, like a kind person who met with an ill fate." The person who manages Phuong Nga and a center for recording and publishing music "overseas" said that "We, Nguyen Ngoc Hoang, the director, and Pham Duy and Duy Quang (Pham Duy's son and a person who writes mediocre songs), composers, along with Hoang My Anh, have assembled a group of performing artists."

The artists who went abroad quickly exploited the memory of people who foolishly abandoned their families and their homeland to serve their commercial artistic goals above all (in the press they have already begun to bite one another over money). For example, one swindler exposed the scheme of Viet Dinh and his son Viet Phuong, and exposed the mercenary political activities of Vo Dai Ton. Memory is covered with such colorful words as "Oh Saigon! When the city was in a hubbub, in the happiness and salutations that entire many-hued life is no more. Those who left remember the long rows of tamarind trees, when the flowers in the part lost their petals. Our deep dream has ended, our life is empty." Remembrance of the past in a crisis is natural, but that memory has begun to be criss-crossed with sentimental bullets which are fired back at the homeland: "Since I've been gone Le Thanh Ton and Cong Ly have been deserted, Ban Co cries for Tu Xuong, the Hien Vuong area has fallen apart." Perhaps in all the wickedness and all the cruelty are represented in the singing style of a youth in the song "Greetings to the Homeland": "I've sent you a pair of jeans. Sell them to support mother." Now it seems that the ranks of those reactionary artists have been organized and display clear viewpoints about what they are singing and for whom they are singing. Let's listen to the beginning of the Phuong Nha 3 tape: "Phuong Nga 3 comes to you with all fond memories of the homeland of a group of artists who voluntarily serve the artistic line of struggling for the recovery of Vietnam." Thus the composition of "Black 30 April" by Pham Duy. They were not only rancorous but were slogans which opposed the homeland and were composed to fill orders placed by the imperialists. Hung

Cuong's job was to "Sing for Those Who Returned," to praise the criminal activities of the reactionary Vo Dai Ton and his cohorts. Then there was the "Homeland" program, with the appearance of Nguyenet Anh, who was not known in the old Saigon. We hear that she was a child who grew up in the U.S. and knows very little about the homeland. Her voice is not outstanding, but her activities are rather clamorous and truculent. We listen to Nguyenet Anh: "Nguyet Anh cannot kill enemy troops by means of guns and bullets, so I use songs and music written by my tears, brain, and heart, to stoke a flame of hatred in the hearts of expatriot Vietnamese, further strengthen the hope of those who are still in the homeland, and light the torch of struggle for the glorious day of return of our people." We wouldn't be surprised to learn who put those words in Nguyenet Anh's mouth. What can such a gang of mercenary singers do? Once they had sung on the streets of old Saigon, with the enormous presence of the Americans, with billions of dollars of U.S. aid, with all-mighty American advisers, with half a million U.S. troops armed to the teeth with modern weapons, with bases all over the South, etc. Despite all that the Americans themselves had to run away and follow behind Vietnamese lackeys who fled, including people who call themselves emigre artists and want to express their emotions in song! Previously, in the quarterly publication TRINH BAY, published in Saigon in 1970, a well-known intellectual wrote, "It would be an illusion for all non-communist people to think that they could do anything in the hairy embrace of the Americans." It is certain that such musicians and singers are not so blind that they can harbor such an illusion. People who lived for a long time in the old Saigon, even though they knew them only superficially, know that they are prostitutes who ply their trade in the U.S. By doing so they profit in two ways: they earn a living and continue to insanely gouge the homeland as if that were their nature, a nature that is nourished and forged by the imperialists, in order to produce such types of music as "Sad Evacuees," "A Flood of Refugees," "Sing for the People Left Behind," "A Sad Life," "People Far From Their Country," etc., along with a psychological warfare tone, as we have seen in the garbage of the slave culture that landed along with the U.S. aggressor troops in the South in the past.

The people of Ho Chi Minh City who have consciousness of revolutionary vigilance cannot think that it is acceptable to listen to VOA programs (Voice of America music programs by Vietnamese abroad) for artistic enjoyment or relaxation. The enemy are aware of the old habits of some of the city's people and the curiosity and naivete of youths toward the VOA's "fond remembrances" programs of music which is as soft as velvet but which inwardly features a Nguyenet Anh who only sings when she stands under the yellow flag with three red stripes (that singer muttered during such a VOA program that she was a Hung Cuong who inspired commandos like Vo Dai Ton, whom we discovered as soon as he left the U.S.: "Go back to Vietnam, go back to offer your ideals and courage....All over the country national restoration flags are flying!"

Things sent from abroad, especially from the Western countries, cannot be regarded as letters and gifts which are sentimental or help our families, for we know that our cultural protection personnel, with a strong sense of responsibility and professional experience, have discovered among the piles of tangled tape -- which supposedly were being used as packing material in parcels sent from abroad -- songs which encourage people to flee abroad, accompanied by

a piece of paper bravely instructing the recipient to "Only listen to the tape at home. Don't allow anyone to borrow it or rerecord it because that would endanger the family. You should remember that the music was recorded in the U.S. and is anti-communist." One gift parcel sent to a family on Cach Mang Thang Tam Street included 200 leaflets by the so-called Vietnamese Revolutionary Youth Movement organization calling for the overthrow of the people's administration. The lack of vigilance toward those infiltration routes has considerably damaged the great undertaking of constructing and defending the homeland and building a new cultural tradition. Ho Chi Minh City, as one of the economic, cultural, and international commerce centers, is making very great efforts to fully manifest the humanitarian spirit of the party and state in allowing people abroad who lived in Vietnam prior to 1975 to return to the homeland, expand the exchange of letters and cultural products with foreign countries (at present the municipality has international postal relations with more than 150 countries), allow the sending of letters and gifts from abroad, and allow Vietnamese abroad to work in or visit their homeland. Prior to 1982, on the average about 2,500 households a month received cultural products sent from abroad, a considerable amount of which violated state laws. Although they were sent in many different forms and by many sophisticated schemes, we promptly stopped them. Some of those criminal gifts were brought in in diplomatic luggage or in the pockets of Vietnamese who returned from abroad to visit their homeland. They were disguised as packaging, recorded along with messages of greetings, recorded in the middle of supposedly unrecorded tapes, or mixed in with cloth and paper used to protect the contents of packages. Some bad cultural products are brought back by undisciplined cadres, workers, and civil servants, are smuggled in aboard ships, are brought into Vietnam across the border, etc.

In 1982, 9,700 items were confiscated because they clearly served the subversive plots of the international reactionaries and did not benefit our country's pure artistic tradition. They included 1,521 recorded tapes, 1,261 books and magazines, 33 records, etc.

A fierce class struggle is taking place in Ho Chi Minh City. Culture and art are also a complicated front. In order to prevent cultural-artistic sabotage from abroad, more than the efforts of the cultural cadres at the ports of entry are required. "Any sectors and echelons are responsible for enforcing state laws and for helping everyone to strengthen their consciousness of revolutionary vigilance and continually improve themselves, and for helping the people maintain with and understand revolutionary culture and socialist culture. If the body is healthy, disease-causing microbes cannot easily penetrate it.

Act 10
Date: 4/20/83

HANOI WARD PRAISED FOR ELIMINATING SUPERSTITION, DECADENT CULTURE

Hanoi VAN HOA NGHE THUAT in Vietnamese No 10, Oct 83 pp 21-22

[Article by Hai Ha: "Eliminating Cultural Poison in a Suburban Area"]

[Text] Ha Ba Trung Ward in Hanoi has 23 subwards, two-thirds of which are suburban areas and workers' districts, with a total population of 230,000 people. Located in the ward are the Polytechnic College, the 8-3 Textile Mill, the Dong Nhat electrical machinery factory, the Hai Ba Trung temple -- a famous historical site in our country -- etc. In addition to those installations, in which we can take pride, there are unwholesome activities, especially with regard to life styles, interpersonal relations, etc. The Gioi Market area is representative.

In addition, recently, because on many streets in there ward the people have taken up living and selling, and have opened stores, some people even make cultural activities sources of illegal income. A considerable number of such negative phenomena have arisen, some of which are serious enough to merit attention. For example, 35 private temples in the subwards continually held ancestor worship ceremonies. Nearly 20 specialized spiritualists earned their livings from such temples. That did not include the physiognomy, astrology, fortunetelling, astrology diary-writing, votive paper-making, and other activities, of other people. Those negative phenomena infected and drew in a number of degenerate state cadres and personnel. For example, a deputy planning office head of the Dong Xuan knitting mill, who lives on the second floor of No 26 Lo Duc Street, resigned because of ill health and set up a temple at home. Another person, the director of the 8-3 Textile Mill in Bach Dang Ward, also retired early and set aside 12 square meters in his home to set up a temple and practice spiritualism. Those who specialized in spreading superstition encouraged people to worship ancestors and call forth souls in order to bring in money and offerings. On the average, each seance cost more than 500 dong. Every year each private temple brought in about 500,000 dong. Many people who engaged in superstitious trades became visibly rich.

People who surreptitiously dealt in the various kinds of blackmarket cultural products, from forbidden books to reactionary, decadent music tapes and records, also caused considerable harm and adversely affected the morale, thought, and way of life of the workers. At one time, people who sold tape recorders, cassette radios, music tapes, and records at Gioi Market openly played all kinds of music, which deafened the ears and pained the brain. In

the market area there were "rings" which smuggled music tapes from Ho Chi Minh City and from ocean-going ships at Hai Phong, and even from Laos. A considerable number of such devilish music tapes were supplied to a rather large number of the 2,500 family-owned tape recorders and cassette radios of which the ward cultural section is aware.

The unwholesome development of that situation set forth an urgent mission for the people the banlieue society and the sectors, especially the ward cultural sector: wiping out and eliminating the venom of those decadent, reactionary cultural products. With the slogan of doing a thorough job and striking at the right targets, the ward and subward governmental administrations, with close coordination among the sectors, from the public security sector to the tax sector, and with the ward and subward cultural-information sections playing the hard-core, staff role, within a brief period of time basic investigations revealed the number of people and facilities involved in superstition trades, private temples, stores that rented out wedding clothing and dealt in cultural products, etc., so that they could be categorized and in order to determine ways to deal with them. The time had come when it was necessary to restore order in cultural activities for the people. Those who profited from illegal activity could not brazenly challenge the law. The people who illegally dealt in music tapes and records at the Gioi Market were dealt with severely. The governmental administration of Pho Hue Subward confiscated hundreds of poisonous music tapes and records. As of June 1983 the ward had confiscated nearly 3,000 reactionary, decadent music tapes and records.

Attention had to be paid to examining the seemingly innocuous selling of publications. In fact, in the course of an investigation of store owner Nguyen Tri Huoc, a secondary school teacher who resigned because of ill health and registered to sell sundry goods at No 11 Truong Dinh St., the cadres confiscated nearly 800 textbooks which had not yet been published, more than 1,500 music magazines which had been provided by the Soviet Union and had been slipped out from the state sector, more than 70 kilograms of graph paper and white coated paper, many rare books, and many foreign cinema magazines the circulation of which is forbidden. At that time the private book stores on Ngo Thi Nhaz Street were also inspected. The people carrying out the inspection confiscated 1,700 forbidden books, a large number of forms and white paper sneaked out of state warehouses, etc.

In comparison to the struggle against decadent cultural products and illegal activities in the selling of publications, the struggle against superstition is more complicated. The subwards in the ward have organized a working method that is appropriate to the characteristics and situation of each place. Le Dai Hanh Subward, a model not only for the word but also for the municipality of Hanoi in opposing superstition, has attained good results. Comrade Pham Hong Dung, deputy chairman of the People's Committee; comrade Hong Nguyen, head of the subward culture-information section; and Mr. Long, a retired cultural cadre who is very active at the basic level, worked together to propagandize and explain to many people the stands and policies of the party and state regarding opposition to superstition, which caused them to happily and voluntarily tear down their temples. The cultural cadres there also composed more than 30 songs and 20 posters opposing superstition. Some 900 items confiscated from people who deliberately engaged in illegal trades were displayed at the basic level.

These things created among the working people a spirit of eliminating superstition. In Dong Tam Subward, Dang Trong An, a member of the ward party committee, chairman of the subward people's committee, and head of the guidance committee of the campaign to achieve a new way of life, organized and directly participated in that work. The action slogan of the cadres there is both resolutely campaigning for the people to oppose superstition and resolutely dealing with people who engage in illegal trades and deliberately ignore public opinion. The strict punishment of Pham Van Nghe, of 161 Dai La Street, for holding seances as his home, had a deterrent and exemplary effect on the others, and also supporting the masses who criticize those evils. The guidance committee of the campaign to achieve a new way of life in Dong Tam Subward assembled many items that had been confiscated in trials and displayed them at the basic level. That had a good propaganda effect among the people with regard to the implementation of the state laws regarding the defense of freedom of religion and opposition to superstition.

The methods of Le Dai Hanh and Dong Tam subwards were among the many different methods of many subwards in Ha Ba Trung Ward.

At present, although some bad people continue to operate surreptitiously, in general the situation in the ward in that wholesome cultural life has been restored. In order to consolidate the results that have been attained, the campaign to eliminate cultural venom there is continuing. The people who have contributed must effort to bringing about those results are the information-cultural sections from the ward level down to the subward level and the ward public security forces.

At present, in addition to "opposition" the governmental administrations and cultural cadres there are concentrating on "construction." That is a matter of urgently equipping the ward cultural center with highly valuable equipment in order to bring it into operation to serve the people, promoting the movement to build new culture families and maintain sanitation in the city and in public places, etc. The correct work of Ha Ba Trung Ward has provided good experience for the other places.

5616
CSO: 4209/93

INFORMATION ON VIETNAMESE PERSONALITIES

[The following information on Vietnamese personalities has been extracted from Vietnamese-language sources published in Hanoi, unless otherwise indicated. Asterisked job title indicates that this is the first known press reference to this individual functioning in this capacity.]

Võ Đặng Định Ái [VO WOONG DINH AIS] Catholic priest

*Vice chairman of the Committee for Solidarity of Patriotic Vietnamese Catholics; his name was on a list of officials which appeared in the cited source. (CHINH NGHIA 20 Nov 83 p 2)

Nguyễn Thái Bá [NGUYEENX THAIS BAS] Catholic priest

*Secretary general of the Committee for Solidarity of Patriotic Vietnamese Catholics; his name appeared on a list of his committee's officials. (CHINH NGHIA 20 Nov 83 p 2)

Mai Văn Bay [MAI VAWN BAYR]

Secretary of the Ho Chi Minh City Trade Union Federation; his article on trade union organization in reeducating and building Ho Chi Minh City appeared in the cited source. (NHAN DAN 21 Nov 83 p 3)

Võ Đặng Định Bích [VO WOONG DINH BICH] Catholic priest

*Deputy secretary general of the Committee for Solidarity of Patriotic Vietnamese Catholics; his name appeared on a list of his committee's officials. (CHINH NGHIA 20 Nov 83 p 2)

Trương Bá Can [TRUWONG BAS CAANF] Catholic priest

Vice chairman of the Fatherland Front Committee, Ho Chi Minh City; standing member of the National Catholic Liaison Committee; he was listed in the cited source as a member of the Committee for Solidarity of Patriotic Vietnamese Catholics. (CHINH NGHIA 20 Nov 83 p 2)

Lê Thành Công [LEE THANHF COONG]

Vice minister of culture; on 2 December 1983 he attended a meeting between Nguyen Huu Tieu and a Kampuchean artistic troupe. (NHAN DAN 5 Dec 83 p 1)

Le Quang Dao [LEE QUANG DAOJ]

Member of the Secretariat of the VCP Central Committee; recently he attended a Ho Chi Minh Communist Youth Union conference on building a cultural lifestyle for youths. (NHAN DAN 30 Nov 83 p 3)

Nguyen Dang [NGUYEENX DAWNGJ]

*Deputy secretary general of the Vietnam Photographers Association; his election to this position was announced in the cited source. (NHAN DAN 10 Nov 83 p 1)

Duong Ngoc Duc [ZUWOWNG NGOCJ DUWCS]

*Secretary general of the Vietnam Stage Artists Association; his election to this position was reported in the cited source. (NHAN DAN 25 Nov 83 p 1)

Vu Thai Hoa [VUX THAIS HOAF]

*Deputy secretary general of the Committee for Solidarity of Patriotic Vietnamese Catholics; his name appeared on a list of his committee's officials. (CHINH NGHIA 20 Nov 83 p 2)

Cao Dac Hung [CAO DAWCS HUWNG]

*Ambassador to Sweden; recently he was present during talks between visiting Foreign Vice Minister Ha Van Lau and Swedish officials. (NHAN DAN 21 Nov 83 p 4)

Cao Xuan Hung [CAO XUAAN HUWONGR]

*Deputy secretary general of the Vietnam Architects Association; his/her election to this position was announced in the cited source. (NHAN DAN 28 Nov 83 p 4)

Pham Van Kham [PHAMJ VAWN KHAAM]

*Deputy secretary general of the Committee for Solidarity of Patriotic Vietnamese Catholics; his name appeared on a list of his committee's officials. (CHINH NGHIA 20 Nov 83 p 2)

Nguyen Ngoc Khoi [NGUYEENX NGOCJ KHOOI]

*Deputy secretary general of the Vietnam Architects Association; his/her election to this position was announced in the cited source. (NHAN DAN 28 Nov 83 p 4)

Hoang Linh [HOANGF LINH]

*Secretary general of the Vietnam-Laos Friendship Association; on 1 December 1983 he attended the opening of an exhibit of paintings of Laos by PAVN artists. (NHAN DAN 2 Dec 83 p 4)

Nguyễn Trúc Luyện [NGUYEENX TRUWCJ LUYEENJ]

*Secretary general of the Vietnam Architects Association; his election to this position was announced in the cited source. (NHAN DAN 28 Nov 83 p 4)

Lê Văn Lương [LEE VAWN LUWOWNG]

Member of the VCP Central Committee; secretary of the VCP Committee, Hanoi Municipality; on 2-3 December 1983 he attended the 10th Congress of the Hanoi Fatherland Front Committee. (NHAN DAN 4 Dec 83 p 4)

Huỳnh Công Minh [HUYNH COONG MINH] Catholic priest

Vice chairman of the Ho Chi Minh City Catholic Mobilization Committee; *vice chairman of the Committee for Solidarity of Patriotic Vietnamese Catholics; his name was on a list of officials reported in the cited source. (CHINH NGHIA 20 Nov 83 p 2)

Phạm Quang Phước [PHAMJ QUANG PHUWOWCS] Catholic priest

Member of the Presidium of the Vietnam Fatherland Front; *Deputy chairman of the Catholics for Peace Council; *Vice chairman of the Committee for Solidarity of Patriotic Vietnamese Catholics; his name was on the list of his committee's officials. (CHINH NGHIA 20 Nov 83 p 2)

Phạm Khắc Quang [PHAMJ KHAWCS QUANGR] Professor, Doctor

Chairman of the Hanoi Fatherland Front Committee; on 2-3 December 1983 he attended his committee's 10th Congress and was reelected to his position. (NHAN DAN 4 Dec 83 p 4)

Nguyễn Kim Sen [NGUYEENX KIM SEENS]

*Deputy secretary general of the Vietnam Architects Association; his election to this position was announced in the cited source. (NHAN DAN 28 Nov 83 p 4)

Phạm Văn Toản [PHAMJ VAWN TOANR] Professor

Vice chairman of the Catholic Liaison Committee, Hanoi; *deputy secretary general of the Committee for Solidarity of Patriotic Vietnamese Catholics; his name appeared on a list of his committee's officials. (CHINH NGHIA 20 Nov 83 p 2)

Đinh Ngọc Thông [DINH NGOCJ THOONG]

*Deputy secretary general of the Vietnam Photographers Association; his election to this position was announced in the cited source. (NHAN DAN 10 Nov 83 p 1)

Hoàng Tuệ Trai [HOANGF TUW TRAI]

*Secretary general of the Vietnam Photographers Association; his election to this position was announced in the cited source. (NHAN DAN 10 Nov 83 p 1)

Tran Van Trinh [TRAANF VAWN TRINH] deceased

Member of the Indochina Communist Party in 1930; former member of the VCP Committee, Ha Tinh Province; deputy head of the Vietnam Revolution Museum; born in 1909 in Duc Tho District, Nghe Tinh Province, he had been active in the revolution since 1929; he was in retirement at the time of his death on 2 December 1983. (NHAN DAN 3 Dec 83 p 4)

Vo Thanh Trinh [VOX THANHF TRINH] Catholic priest

Vice chairman of the National Assembly; member of the Standing Committee of the National Catholic Liaison Committee; chairman of the Ho Chi Minh City Catholic Mobilization Committee; *vice chairman of the Committee for Solidarity for Patriotic Vietnamese Catholics; his name was on the list of his committee's officials. (CHINH NGHIA 20 Nov 83 p 2)

Xuan Trinh [XUAAN TRINHF]

*Deputy secretary general of the Vietnam Stage Artists Association; his election to this position was reported in the cited source. (NHAN DAN 25 Nov 83 p 1)

Pham Ngoc Truyen [PHAMJ NGOCJ TRUYEENF]

*Deputy secretary general of the Vietnam Stage Artists Association; his election to this position was reported in the cited source. (NHAN DAN 25 Nov 83 p 1)

Phan Khac Tu [PHAN KHAWCS TUWF] Catholic priest

*Secretary general of the Catholic Mobilization Committee, Ho Chi Minh City; he was listed on the cited source as a member of the Secretariat of the Committee for Solidarity of Patriotic Vietnamese Catholics. (CHINH NGHIA 20 Nov 83 p 2)

Nguyen The Vinh [NGUYEENX THEES VINHJ] Catholic priest

Member of the Presidium of the Vietnam Fatherland Front; chairman of the National Catholic Liaison Committee; *chairman of the Committee for Solidarity of Patriotic Vietnamese Catholics; his name was on the list of his committee's officials. (CHINH NGHIA 20 Nov 83 p 2)

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